

Mayor
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City Council
WAYNE CLAUSING
RICK DAVIS
KATHY HANNA-SMITH
LAYNE MILLER
TERRY WILLIS

PUBLIC NOTICE OF MEETING

Public notice is hereby given that the City Council of Price City, Utah, will hold a Regular Meeting in the Council Chambers, 185 East Main, Price, Utah, at 5:30 PM on 01/27/2016. The Mayor reserves the right to modify the sequence of agenda items in order to facilitate special needs.

1. PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. PUBLIC COMMENT
4. COUNCILMEMBERS REPORT
5. SMUIN, RICH & MARSING - Presentation of the City's Fiscal Year 2015 Audit Report.
6. PUBLIC HEARING - Public hearing to receive input on the proposed transfer of real property commonly referred to as the 'girls softball field' located at approximately 650 N Cedar Hills Drive, adjacent to the Carbon High baseball field and Price City Terrace Hills Park, currently owned by Price City to the Carbon County School District.
7. QUIT CLAIM DEED - Consideration and possible approval of a quit claim deed transferring ownership of the parcel commonly known as the 'girls softball field' from Price City to the Carbon County School District.
8. RESOLUTION NO. 2016-02 - Consideration and possible approval of a resolution authorizing the transfer of real property commonly referred to as the 'girls softball field' located at approximately 650 N Cedar Hills Drive, adjacent to the Carbon High baseball field and Price City Terrace Hills Park, currently owned by Price City to the Carbon County School District.

CONSENT AGENDA

9. MINUTES -
 - a. January 13, 2016 City Council Meeting -
 - b. January 13, 2016 CDBG Meeting
10. 2016-2018 APPOINTMENTS - Consideration and possible approval of the 2016-2018 City Council, Civic and City Official appointments.
11. CAREER LADDER PROMOTION - Consideration and possible approval of a career ladder promotion from Sergeant I to Sergeant II of Stephen Regruto. Ref Memo to Council dated 01/25/16.
12. LOWER ELEVATION RESERVOIR STUDY-LETTER OF SUPPORT - Approval of a letter of support addressed to Senator Hinkins to seek funding for additional phases of the Lower Elevation Reservoir Study to be conducted in Fiscal Year 2016-2017 (See attached letter)
13. ESTIMATING AGREEMENT FOR FACILITY IMPROVEMENT WORK BETWEEN ROCKY MOUNTAIN POWER AND PRICE CITY - Consideration and possible approval of estimating agreement.
14. 2015 WATER LEASE - Consideration and possible approval of a water lease agreement with Price River Water Improvement District to cover drinking water deficits from the 2015 water year. The

City was 97.34 acre feet short in 2015 which amounts to 292.02 water shares. The cost to lease this water is \$5,840.40 and has been budgeted.

15. DEVELOPMENT AGREEMENT - Consideration and possible approval of a development agreement between Price City and Pinnacle West Grill, LLC., Mr. Dallas M. Hakes, regarding the development of a Dairy Queen Grill and Chill Restaurant at 915 W Westwood Blvd.
16. LOCAL CONSENT - Consideration and possible approval of local consent for single event beer sales for Notre Dame St. Patrick's Day celebration, March 19, 2016 from 1pm to 8pm at Notre Dame Hope Center, 185 N Carbon Ave.
17. LOCAL CONSENT - Consideration and possible approval of local consent for single event beer sales for Ducks Unlimited 2016 Price, UT Dinner, March 5, 2016 from 4pm to 10pm at the Bunnell-Dmitrich Athletic Center (BDAC) on the Utah State University-Eastern campus, 451 E 400 N.
18. DESERT WAVE POOL - Consideration and possible approval to take the old Air Inflation Unit to the salvage yard. (Value is approximately \$130.)
19. TRAVEL REQUESTS - Bill Wardle and Rowdy Christensen, Rural Water Annual Conference, March 1-4, 2016, St. George, UT.
20. COMMITTEES
 - a. WATER RESOURCES
 - b. EMERGENCY PLANNING
 - c. COMMUNITY PROGRESS-CULTURE CONNECTION
 - d. INTERNATIONAL DAYS
21. UNFINISHED BUSINESS
 - a. Recycling

I, Sherrie Gordon, the duly appointed and acting Recorder for Price City, hereby certify that the foregoing City Council Agenda was emailed to the Sun Advocate. The agenda was also posted in City Hall, the City's website at www.priceutah.net, and on the Utah Public Meeting Notice Website <http://www.utah.gov/pmn/index.html>. This meeting may be held electronically via telephone to permit one or more of the council members to participate.

Note: In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should contact Sherrie Gordon at 185 E. Main Price, Utah, telephone 435-636-3183 at least 24 hours prior to the meeting.

PRICE MUNICIPAL CORPORATION
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

PRICE MUNICIPAL CORPORATION
BASIC FINANCIAL STATEMENTS
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Auditors' Report on Compliance and on Internal Control
Over Financial Reporting Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards 83-84

SMUIN, RICH & MARSING

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
Price Municipal Corporation
Price, Utah 84501

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Price Municipal Corporation, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Price Municipal Corporation as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 6 to the financial statements, in 2015 the City adopted Government Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27 and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 12 and 65 through 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

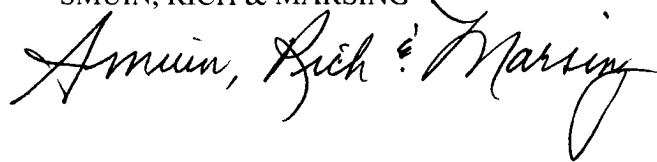
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2015, on our consideration of Price Municipal Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

SMUIN, RICH & MARSING

A handwritten signature in cursive script that reads "Amuin, Rich & Marsing". The signature is written in black ink and is positioned below the firm's name.

Price, Utah

December 21, 2015

**PRICE MUNICIPAL CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
2014-2015**

Our discussion and analysis of Price City's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2015.

FINANCIAL HIGHLIGHTS

- ❖ The City's total net position decreased \$1,299,567 as a result of this year's operations and adjustments. The net position of our business-type activities increased by \$91,020, which is 0.47 percent, and the net position of our governmental activities decreased by \$1,390,587, or 9.91 percent. The decrease in net position is largely due to the City's implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which required an adjustment to beginning net position. The effect of this adjustment is discussed further in Note 19.
- ❖ The expenses of \$8.4 million were \$1.6 million more than the revenues received of \$6.8 million for governmental activities. This is more than last year when expenses were \$0.7 million more than revenues.
- ❖ In the City's business-type activities, revenues were \$11.6 million, a 4.5 percent increase from last year. Expenditures were \$9.2 million, which is a 1.7 percent increase.
- ❖ The governmental activities reported a decrease in net position of \$1,390,587 after transfers. The business-type activities reported an increase in net position of \$91,020 after transfers.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 13 and 15) provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

REPORTING THE CITY AS A WHOLE

Our analysis of the City as a whole begins on page 13. The Statement of Net Position and Statement of Activities report information about the City as a whole and about its activities in a way that helps determine if the City is better or worse off as a result of the year's activities. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in net position. Net position equals the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. This is one way to measure the City's financial position. Increases or decreases in the City's net position are one indicator of whether the financial position of the City is improving or deteriorating. You will need to consider other non-financial factors, such as changes in the City's property tax base and the condition of the

City's roads, water and sewer lines, drainage systems, electrical facilities, and other capital assets to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- ❖ Governmental activities—Most of the City's basic services are reported here, including the police, fire, highway, public improvements, and parks departments and general administration. Property taxes, franchise fees, sales taxes, and state and federal grants finance most of these activities.
- ❖ Business-type activities—The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water and sewer systems and electrical facilities are reported here.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds begins on page 16. The fund financial statements begin on page 16 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes (like CDBG projects) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies. The City's two kinds of funds—*governmental* and *proprietary*—use different accounting approaches.

- ❖ *Governmental funds*—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship or differences between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.
- ❖ *Proprietary funds*—When the City charges customers for the services it provides—whether to outside customers or other units of the City—these services are generally reported in proprietary funds. Proprietary funds are reported the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds. We use internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities—such as the City's Information Systems Fund.

The City as Trustee

The City is a trustee—it is responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. All of the City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 26 and 27. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The City as a Whole

The City's *combined* net position decreased from a year ago—decreasing from \$33.6 million to \$32.3 million. The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental and business-type activities.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 4,504,234	\$ 4,717,888	\$ 7,559,484	\$ 7,587,871	\$ 12,063,718	\$ 12,305,759
Capital assets	12,380,933	12,499,274	22,072,804	22,617,260	34,453,737	35,116,534
Total assets	\$ 16,885,167	\$ 17,217,162	\$ 29,632,288	\$ 30,205,131	\$ 46,517,455	\$ 47,422,293
Deferred outflows of resources	\$ 338,664	\$...	\$ 92,964	\$...	\$ 431,628	\$...
Long-term debt outstanding	\$ 156,000	\$ 254,000	\$ 8,561,553	\$ 9,590,597	\$ 8,717,553	\$ 9,844,597
Other liabilities	3,378,057	2,165,801	1,432,029	1,047,053	4,810,086	3,212,854
Total liabilities	\$ 3,534,057	\$ 2,419,801	\$ 9,993,582	\$ 10,637,650	\$ 13,527,639	\$ 13,057,451
Deferred inflows of resources	\$ 1,046,967	\$ 763,966	\$ 73,169	\$...	\$ 1,120,136	\$ 837,135
Net position:						
Net investment in capital assets	\$ 12,224,933	\$ 12,245,274	\$ 13,511,252	\$ 13,113,664	\$ 25,736,185	\$ 25,358,938
Restricted	1,286,223	1,281,398	4,970,205	4,654,422	6,256,428	5,935,820
Unrestricted	(868,349)	506,723	1,177,044	1,799,395	308,695	2,306,118
Total net position	\$ 12,642,807	\$ 14,033,395	\$ 19,658,501	\$ 19,567,481	\$ 32,301,308	\$ 33,600,876

Net Position of the City's governmental activities decreased by 9.9 percent; \$12.64 million compared to \$14.03 million in 2014. *Unrestricted* net position—the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—decreased from \$506,723 at June 30, 2014, to (\$868,349) at the end of this year. due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which resulted in a \$1,546,852 net pension liability being reported for governmental activities.

Net Position of our business-type activities increased 0.47 percent; \$19.66 million compared to \$19.57 million in 2014. Unrestricted net position for this group amounts to \$1,177,044. Net position is used to finance the continuing operations of the Water and Sewer, Electric, Swimming Pool, Storm Water, Price City Economic Vitality, and Driving School funds.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for services	\$ 912,811	\$ 990,935	\$ 11,116,808	\$ 11,023,518	\$ 12,029,619	\$ 12,014,453
Operating grants and cont.	704,848	498,415	169,273	8,450	874,121	506,865
Capital grants and cont.	309,011	1,848,467	251,594	10,500	560,605	1,858,967
General Revenues:						
Property taxes	843,458	986,306			843,458	986,306
Sales/franchise taxes	3,964,272	3,537,946			3,964,272	3,537,946
Other general revenues	100,437	122,245	43,934	40,952	144,371	163,197
Total revenues	\$ 6,834,837	\$ 7,984,314	\$ 11,581,609	\$ 11,083,420	\$ 18,416,446	\$ 19,067,734
Program Expenses						
General government	\$ 1,841,682	\$ 2,038,534			\$ 1,841,682	\$ 2,038,534
Public safety	2,751,472	2,753,044			2,751,472	2,753,044
Highways and public improv.	2,182,079	2,071,492			2,182,079	2,071,492
Parks and recreation	1,345,037	1,375,382			1,345,037	1,375,382
Economic development	288,593	451,660			288,593	451,660
Intergovernmental	16,000	43,722			16,000	43,722
Capital outlay	4,100	5,339			4,100	5,339
Water and sewer			\$ 3,409,586	\$ 3,286,493	3,409,586	3,286,493
Electric			4,993,284	4,981,147	4,993,284	4,981,147
Pool			727,896	715,657	727,896	715,657
Price City economic vitality			3,970	2,285	3,970	2,285
Driving school				566		566
Storm Water			16,948	8,950	16,948	8,950
Total expenses	\$ 8,428,963	\$ 8,739,173	\$ 9,151,684	\$ 8,995,098	\$ 17,580,647	\$ 17,734,271
Excess (deficiency) before transfers	\$ (1,594,126)	\$ (754,859)	\$ 2,429,925	\$ 2,088,322	\$ 835,799	\$ 1,333,463
Transfers	1,880,031	1,912,934	(1,880,031)	(1,912,934)		
Change in net position	\$ 285,905	\$ 1,158,075	\$ 549,894	\$ 175,388	\$ 835,799	\$ 1,333,463
Net position - begin, restated	\$ 12,361,752	\$ 12,875,319	\$ 19,108,607	\$ 19,331,774	\$ 31,470,359	\$ 32,207,093
Prior period adjustment	(4,850)			60,319	(4,850)	60,319
Net position - ending	\$ 12,642,807	\$ 14,033,394	\$ 19,658,501	\$ 19,567,481	\$ 32,301,308	\$ 33,600,875

The City's total revenues decreased by \$651,288, or 3.42 percent. The total cost of all programs and services decreased \$153,623, or 0.87 percent. The following analysis separately considers the operations of our governmental and business-type activities.

Governmental Activities

Revenues for the City's governmental type activities decreased by 14.4 percent (\$1,149,477), while total expenses decreased 3.55 percent (\$310,209). Property taxes decreased by 14.48 percent, and sales and franchise taxes increased by 12.05 percent. The largest source of funds was the transfer of funds from the Electric Fund followed by sales taxes, highway taxes, and property taxes. Net position for governmental activities decreased \$1,390,587 in 2015. This compares to a \$1,158,076 increase in net position in 2014.

The cost of all governmental activities this year was \$8.43 million compared to \$8.74 million last year. As shown in the Statement of Activities on page 14, the amount that our taxpayers ultimately financed for these activities through City taxes was only \$4.8 million, as some of the cost was paid by those who directly benefited from the programs (\$912,811) or by other governments and organizations that subsidized certain programs with grants and contributions (\$1,013,859). Overall, the City's governmental program revenues, including intergovernmental aid and fees for services, decreased in 2015 from \$3,337,817 to \$1,926,670.

Table 3 presents the cost of each of the City's four largest programs—general government, public safety, highways and public improvements, and parks and recreation—as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities

	Total Cost of Services		Program Revenue		Net Cost of Services	
	2015	2014	2015	2014	2015	2014
Primary government						
Governmental activities:						
General government	\$ 1,841,682	\$ 2,038,534	\$ 144,687	\$ 229,090	\$ (1,696,995)	\$ (1,809,444)
Public safety	2,751,472	2,753,044	535,244	407,036	(2,216,228)	(2,346,008)
Highways and public improvements	2,182,079	2,071,492	834,700	909,784	(1,347,379)	(1,161,708)
Parks and recreation	1,345,037	1,375,382	267,039	1,489,857	(1,077,998)	114,475
Other	308,693	500,721	145,000	302,050	(163,693)	(198,671)
Total governmental activities	<u>\$ 8,428,963</u>	<u>\$ 8,739,173</u>	<u>\$ 1,926,670</u>	<u>\$ 3,337,817</u>	<u>\$ (6,502,293)</u>	<u>\$ (5,401,356)</u>

Business-type Activities

Revenues of the City's business-type activities increased 4.5 percent (\$11,581,609 in 2015 compared to \$11,083,420 in 2014) while expenses increased 1.7 percent.

THE CITY'S FUNDS

As the City completed the year, its governmental funds (as presented in the balance sheet on page 16) reported a combined fund balance of \$3 million, which is higher than last year's total of \$2.7 million. The following changes in fund balance should be noted:

Each year the State provides the City with a portion of the gasoline tax revenues it collects. This money can only be used to replace, maintain, or improve the City's roads. This year the City received \$347,432 and used \$309,946. The difference increased the fund balance for Class C Roads which is used to fund projects and/or equipment purchases in future years.

The City's sales tax rate includes a one-quarter percent highway tax. All revenues generated from the highway tax must be used by the Streets Department. During 2015, the City collected \$771,943 in highway tax. The Streets Department expenditures totaled \$829,872, excluding Class C Road and grant expenditures.

The City's sales tax rate includes a one-tenth of a percent zoo, arts, and parks tax, or ZAP tax. As its name implies, this money can only be used to fund projects and maintenance and operations associated with zoos, arts, and parks. During 2015, the City collected \$257,502 in ZAP tax and spent \$78,883 on related expenditures. Thus, the restricted fund balance was increased.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City's budget twice. The first budget revision was to adjust for estimates made in April 2014, as circumstances change. The second adjustment was near the end of the fiscal year and was to prevent budget overruns and to reflect more closely what actually happened during the year.

Even with these adjustments, the actual charges to appropriations (expenditures) were \$272,359 below the final budget amounts. The most significant positive variance (\$63,078) occurred in the City's streets department. The variance was primarily due to some special department supplies not being purchased.

Resources for appropriation (revenues) were \$6,007 under the final budgeted amount. The most significant shortage (\$7,517) occurred in franchise taxes, due primarily to the municipal telecom taxes not coming in as anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the City had \$34.5 million invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, bridges, and water and sewer lines (see Table 4). This amount represents a net decrease (including additions and deletions) of \$662,797 or a 1.9 percent decrease over last year.

Table 4
Capital Assets at Year-End
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Water stock			\$ 994,922	\$ 994,922	\$ 994,922	\$ 994,922
Land	\$ 1,015,137	\$ 1,015,137	214,660	214,660	1,229,797	1,229,797
Buildings	1,760,152	1,901,785	4,414,457	4,702,566	6,174,609	6,604,351
Improvements other than buildings	3,055,054	2,666,976	16,115,299	16,357,029	19,170,353	19,024,005
Equipment	1,609,420	1,468,835	306,992	335,084	1,916,412	1,803,919
Computer software		8,808				8,808
Infrastructure	4,870,565	5,033,633			4,870,565	5,033,633
Work in progress	70,605	404,100	26,474	12,999	97,079	417,099
Total assets	<u>\$ 12,380,933</u>	<u>\$ 12,499,274</u>	<u>\$ 22,072,804</u>	<u>\$ 22,617,260</u>	<u>\$ 34,453,737</u>	<u>\$ 35,116,534</u>

Fire brush truck	\$ 91,576
Paid with grant and City funds	
1900 E water and sewer lines and road	433,075
Paid with grant and CDRA funds	
Police vehicles	162,204
Paid with grant and City funds	
Substation 15Kv feeder line	71,614
Paid with lease and City funds	
Tennis Courts	<u>214,816</u>
Paid with ZAP tax and local grant funds	
Total	<u>\$ 973,285</u>

The City's fiscal year 2016 capital budget calls for it to spend approximately \$3.2 million for capital projects, (of which \$877,132 is anticipated to be financed by grants, \$735,000 by loans, and \$259,500 by ZAP tax). More detailed information about the City's capital assets is presented in Note 5 to the financial statements.

Debt

At year end, the City had \$8.7 million in bonds and leases outstanding as compared to \$9.8 million in 2014. This is an 11 percent decrease in debt (see Table 5).

Table 5
Outstanding Debt at Year-end

	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Bonds payable	\$ 156,000	\$ 254,000	\$ 8,281,615	\$ 9,061,615	\$ 8,437,615	\$ 9,315,615
Leases payable			279,938	528,982	279,938	528,982
Total debt	<u>\$ 156,000</u>	<u>\$ 254,000</u>	<u>\$ 8,561,553</u>	<u>\$ 9,590,597</u>	<u>\$ 8,717,553</u>	<u>\$ 9,844,597</u>

The City did not incur any new debt during the year.

Other Long-Term Liabilities

Other obligations include \$430,764 of accrued vacation, sick, and comp time pay. More detailed information about the City's long-term liabilities is presented in Note 7 to the financial statements.

The City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, during the year ended June 30, 2009. The new standard changes the way these other postemployment benefits (OPEB) are accounted for and disclosed in the financial statements. Like pension benefits, government entities will report OPEB costs and obligations when they are earned rather than when paid. The City used the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members to determine the annual cost and the magnitude of the City's unfunded OPEB obligation. Additional calculations are required every three years. The net OPEB obligation at June 30, 2015, was \$1,313,440. More detailed information about the City's other postemployment benefits is presented in Note 17 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City's elected and appointed officials considered many factors when preparing the fiscal year 2016 budget. One of those factors is the economy.

People

Carbon County's population decreased 1.3 percent over the previous year; 20,660 as compared to 20,988 in 2013. The current adjusted census for Price City is 8,358.

Housing

Another important economic measure closely associated with people is housing. The number of new permits for homes, or dwelling units, in Carbon County for 2014 was up 257.1 percent compared to 2013. Total permit values were up 89 percent.

Labor Market

Carbon County gained approximately 52 nonfarm positions in 2014 as compared to losing 251 jobs in 2013. Industries that posted job gains include construction, professional and business services, and education/health/social services. Amongst those that registered job losses were mining, manufacturing, trade transport utilities, financial activities, leisure and hospitality, and government.

The county's average unemployment rate for 2014 decreased to 5.2 percent as compared to last year's rate of 5.9 percent. The unemployment rate as of October 2015 was 5.8 percent compared to the state's 3.6 percent. Last year at this time, the unemployment rate was 4.8 percent.

Gross Taxable Sales

Annual gross taxable sales for Carbon County increased 5.3 percent from the prior year.

Wages

Another important indicator of Carbon County's economic health is the performance of its average monthly wage. During 2014, Carbon County's average monthly wage increased 2.8 percent from \$3,159 to \$3,247.

Fiscal Year 2015-2016 Budget

The transfer from the Electric Fund is the General Fund's major source of revenue; sales tax being the second. Sales tax increased last year by 5.4 percent, and appears to be down for the 2016 year. The transfer from the Electric Fund was decreased by approximately 3.9 percent for fiscal year 2016 compared to a 0.43 percent decrease for the prior year. Fiscal year 2016 General Fund expenditures are budgeted at \$9.3 million. Capital expenditures for 2016 were budgeted at an 8.7 percent increase over the 2015 budget.

The General Fund is budgeted to use \$233,336 from unreserved fund balance and \$24,500 from ZAP tax. In addition, the Capital Projects Fund is budgeted to use \$74,260 of fund balance, while the Electric Fund is budgeted to use \$246,000. The Water Fund is budgeted to use \$680,000; the CDRA \$324,200; and the Information Systems Fund \$105,000. The City will continue to use lease/purchase financing to fund equipment. Personnel costs of \$6.8 million are the largest expenditure for the City.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the City Finance Director's Office at 185 East Main, Price, Utah.

Note:

Economic information about Carbon County was taken from the Utah Department of Workforce Services.

PRICE MUNICIPAL CORPORATION
STATEMENT OF NET POSITION
JUNE 30, 2015

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,807,600	\$ 1,713,125	\$ 4,520,725
Investments - restricted	25,997	4,970,205	4,996,202
Accounts receivable (net)		899,196	899,196
Taxes receivable	871,476		871,476
Miscellaneous receivable	74,004	6,698	80,702
Internal balances	33,489	(33,489)	
Due from other governmental units	677,226		677,226
Inventory of supplies	785		785
Net pension asset	13,657	3,749	17,406
Capital assets (net of accumulated depreciation):			
Water stock		994,922	994,922
Land	1,015,137	214,660	1,229,797
Buildings	1,760,152	4,414,457	6,174,609
Improvements other than buildings	3,055,054	16,115,299	19,170,353
Equipment	1,609,420	306,992	1,916,412
Infrastructure	4,870,565		4,870,565
Work in progress	70,605	26,474	97,079
Total assets	\$ 16,885,167	\$ 29,632,288	\$ 46,517,455
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pensions	338,664	92,964	431,628
Total assets and deferred outflows of resources	\$ 17,223,831	\$ 29,725,252	\$ 46,949,083
<u>LIABILITIES</u>			
Accounts payable	\$ 164,828	\$ 600,072	\$ 764,900
Accrued liabilities	9,390	3,129	12,519
Sales tax payable	34	26,493	26,527
Bond interest payable		25,141	25,141
Revenue bonds payable - Due within one year	23,000	163,000	186,000
Capital leases payable - Due within one year		251,826	251,826
Noncurrent liabilities:			
Customer deposits payable		265,325	265,325
Revenue bonds payable - Due in more than one year	133,000	8,118,615	8,251,615
Capital lease payable - Due in more than one year		28,112	28,112
Compensated absences	343,513	87,251	430,764
Net other postemployment benefit obligation	1,313,440		1,313,440
Net pension liability	1,546,852	424,618	1,971,470
Total liabilities	\$ 3,534,057	\$ 9,993,582	\$ 13,527,639

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF NET POSITION
JUNE 30, 2015

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable revenue - property taxes	\$ 780,418		\$ 780,418
Pensions	266,549	\$ 73,169	339,718
Total deferred inflows of resources	\$ 1,046,967	\$ 73,169	\$ 1,120,136
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	\$ 12,224,933	\$ 13,511,252	\$ 25,736,185
Restricted for:			
Class "C" Roads	281,130		281,130
Zap tax	559,487		559,487
Crisis intervention	2,978		2,978
Tennis court maintenance	4,000		4,000
Dino Mine Park	3,014		3,014
Fire department grant	11,593		11,593
Culture Connection	5,577		5,577
Community Development and Renewal Agency	324,200		324,200
Debt service	94,244	4,970,205	5,064,449
Unrestricted	(868,349)	1,177,044	308,695
Total net position	\$ 12,642,807	\$ 19,658,501	\$ 32,301,308
Total liabilities and deferred inflows of resources	\$ 17,223,831	\$ 29,725,252	\$ 46,949,083

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

FUNCTION/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Primary government:							
Governmental activities:							
General government	\$ 1,841,682	\$ 137,546	\$ 7,141		\$ (1,696,995)		\$ (1,696,995)
Public safety	2,751,472	244,740	154,027	\$ 136,477	(2,216,228)		(2,216,228)
Highways and public improvements	2,182,079	418,806	382,045	33,849	(1,347,379)		(1,347,379)
Parks and recreation	1,345,037	111,719	16,635	138,685	(1,077,998)		(1,077,998)
Economic development	288,593		145,000		(143,593)		(143,593)
Intergovernmental	16,000				(16,000)		(16,000)
Capital outlay	4,100				(4,100)		(4,100)
Total governmental activities	\$ 8,428,963	\$ 912,811	\$ 704,848	\$ 309,011	\$ (6,502,293)		\$ (6,502,293)
Business-type activities:							
Water and sewer	\$ 3,409,586	\$ 3,353,286	\$ 102,419	\$ 251,594		\$ 297,713	\$ 297,713
Electric	4,993,284	7,512,777	51,111			2,570,604	2,570,604
Pool	727,896	169,364	15,743			(542,789)	(542,789)
Price City Economic Vitality	3,970	30				(3,940)	(3,940)
Driving School		80				80	80
Strom water	16,948	81,271				64,323	64,323
Total business-type activities	\$ 9,151,684	\$ 11,116,808	\$ 169,273	\$ 251,594	\$	\$ 2,385,991	\$ 2,385,991
Total primary government	\$ 17,580,647	\$ 12,029,619	\$ 874,121	\$ 560,605	\$ (6,502,293)	\$ 2,385,991	\$ (4,116,302)
General revenues:							
Property taxes					\$ 843,458		\$ 843,458
Sales and franchise taxes					3,964,272		3,964,272
Unrestricted investment earnings					12,810	\$ 42,934	55,744
Gain on sale of capital assets					29,614	1,000	30,614
Miscellaneous					58,013		58,013
Transfers in (out)					1,880,031	(1,880,031)	
Total general revenues and transfers					\$ 6,788,198	\$ (1,836,097)	\$ 4,952,101
Change in net position					\$ 285,905	\$ 549,894	\$ 835,799
Net position - beginning, as restated					12,361,752	19,108,607	31,470,359
Prior period adjustment					(4,850)		(4,850)
Net position - ending					\$ 12,642,807	\$ 19,658,501	\$ 32,301,308

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,229,734	\$ 1,006,500	\$ 2,236,234
Investments restricted		25,997	25,997
Receivables (net):			
Taxes	871,476		871,476
Miscellaneous	72,475	500	72,975
Due from other governmental units	653,374	23,852	677,226
Inventory of supplies at cost	785		785
	<u>2,827,844</u>	<u>1,056,849</u>	<u>3,884,693</u>
Total assets	<u>\$ 2,827,844</u>	<u>\$ 1,056,849</u>	<u>\$ 3,884,693</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Cash deficit		\$ 6,037	\$ 6,037
Accounts payable	\$ 128,517	4,756	133,273
Accrued liabilities	8,842	168	9,010
	<u>137,359</u>	<u>10,961</u>	<u>148,320</u>
Total liabilities	<u>\$ 137,359</u>	<u>\$ 10,961</u>	<u>\$ 148,320</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	\$ 780,418		\$ 780,418
	<u>780,418</u>	<u>...</u>	<u>780,418</u>
Total deferred inflows of resources	<u>\$ 780,418</u>	<u>\$...</u>	<u>\$ 780,418</u>
Fund balances:			
Nonspendable:			
Inventory of supplies	\$ 785		\$ 785
Restricted for:			
Class "C" Roads	281,130		281,130
Zap tax	559,487		559,487
Crisis intervention	2,978		2,978
Tennis court maintenance	4,000		4,000
Dino Mine Park	3,014		3,014
Fire department grant	11,593		11,593
Culture Connection	5,577		5,577
Community Development and Renewal Agency		\$ 324,200	324,200
Debt service		94,244	94,244
Committed:			
Property management	7,931		7,931
Assigned:			
General fund	4,153		4,153
Special revenue funds		26,281	26,281
Capital projects fund		601,163	601,163
Unassigned	1,029,419		1,029,419
	<u>1,910,067</u>	<u>1,045,888</u>	<u>2,955,955</u>
Total fund balances	<u>\$ 1,910,067</u>	<u>\$ 1,045,888</u>	<u>\$ 2,955,955</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,827,844</u>	<u>\$ 1,056,849</u>	<u>\$ 3,884,693</u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015

Total fund balances - governmental fund types: \$ 2,955,955

Accumulated effect of crossover amounts charged in business-type activities
from Internal Service Fund activity. 33,489

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported in the funds. Amount net of depreciation.

Land	\$ 1,015,137	
Buildings	1,760,152	
Improvements other than buildings	3,055,054	
Equipment	1,609,420	
Infrastructure	4,870,565	
Work in progress	<u>70,605</u>	12,380,933

The net pension asset resulting from pension assets exceeding pension liabilities is not
an available resource and, therefore, is not reported in the funds. 13,657

Deferred outflows of resources associated with the net pension liability and asset are not
available resources and, therefore, are not reported in the funds. 338,663

Long-term liabilities, including bonds payable, are not due and payable in the current
period and therefore are not reported in the funds.

Revenue bonds payable - current portion	\$ (23,000)	
Revenue bonds payable - due in more than one year	(133,000)	
Compensated absences	(343,513)	
Net OPEB obligation	(1,313,440)	
Net pension liability	(1,546,852)	
Deferred inflows of resources due to pensions	<u>(266,549)</u>	(3,626,354)

Internal service funds are used by management to charge the costs of information systems
to individual funds. The assets and liabilities of internal service funds are included in
governmental activities in the statement of net position.

Cash	\$ 577,403	
Miscellaneous receivables	1,030	
Accounts payable	(31,555)	
Accrued liabilities	(380)	
Sales tax payable	<u>(34)</u>	<u>546,464</u>

Net position of governmental activities \$ 12,642,807

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	\$ 4,807,730		\$ 4,807,730
Licenses and permits	184,697		184,697
Intergovernmental	689,532	\$ 343,217	1,032,749
Charges for services	585,941		585,941
Fines and forfeitures	80,363	1,200	81,563
Contributions	21,075		21,075
Miscellaneous revenue	105,896	3,810	109,706
Total revenues	<u>\$ 6,475,234</u>	<u>\$ 348,227</u>	<u>\$ 6,823,461</u>
EXPENDITURES:			
Current:			
General government	\$ 1,561,950		\$ 1,561,950
Public safety	2,600,295	\$ 148,394	2,748,689
Highways and public improvements	2,061,878	43,791	2,105,669
Parks, recreation, and public property	1,135,752		1,135,752
Economic development	288,593		288,593
Intergovernmental expenditures	16,000		16,000
Capital outlay		467,239	467,239
Debt service:			
Principal retirement		98,000	98,000
Total expenditures	<u>\$ 7,664,468</u>	<u>\$ 757,424</u>	<u>\$ 8,421,892</u>
Excess revenues over (under) expenditures	<u>\$ (1,189,234)</u>	<u>\$ (409,197)</u>	<u>\$ (1,598,431)</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	\$ 2,452,831	\$ 329,689	\$ 2,782,520
Transfers out	(721,008)	(181,481)	(902,489)
Total other financing sources (uses)	<u>\$ 1,731,823</u>	<u>\$ 148,208</u>	<u>\$ 1,880,031</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ 542,589</u>	<u>\$ (260,989)</u>	<u>\$ 281,600</u>
FUND BALANCES - beginning of year	1,372,328	1,306,877	2,679,205
Prior period adjustment	(4,850)		(4,850)
FUND BALANCES - end of year	<u><u>\$ 1,910,067</u></u>	<u><u>\$ 1,045,888</u></u>	<u><u>\$ 2,955,955</u></u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 281,600
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(112,425)
The net OPEB obligation is not reported in the governmental funds. This amount represents the difference between the annual OPEB cost and the actual contributions made.	(186,247)
The Statement of Activities shows pension expense, pension benefits, and nonemployer contributions, from the adoption of GASB 68, that are not shown on the fund statements.	210,561
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	98,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Compensated absences)	3,333
Internal service funds are used by management to charge the costs of management information systems to individual funds.	(8,917)
Change in net position of governmental activities	<u>\$ 285,905</u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	WATER AND SEWER FUND	ELECTRIC FUND	NONMAJOR FUNDS	TOTAL	INTERNAL SERVICE FUND
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$ 279,154	\$ 862,048	\$ 571,923	\$ 1,713,125	\$ 577,403
Investments - restricted	4,686,196	284,009		4,970,205	
Receivables - net					
Utilities	328,927	559,977	10,292	899,196	
Miscellaneous		5,903	795	6,698	1,029
Total current assets	<u>\$ 5,294,277</u>	<u>\$ 1,711,937</u>	<u>\$ 583,010</u>	<u>\$ 7,589,224</u>	<u>\$ 578,432</u>
Noncurrent assets:					
Net pension asset	\$ 2,268	\$ 1,132	\$ 349	\$ 3,749	
Water stock	994,922			994,922	
Land	177,306	37,354		214,660	
Buildings	9,237,316	46,378	2,893,420	12,177,114	
Improvements other than buildings	21,185,471	10,274,409	150,374	31,610,254	\$ 54,198
Equipment	1,068,837	66,711	251,488	1,387,036	169,112
Computer software					114,000
Work in progress		21,173	5,301	26,474	
Less: Accumulated depreciation	<u>(16,421,403)</u>	<u>(5,748,508)</u>	<u>(2,167,744)</u>	<u>(24,337,655)</u>	<u>(292,044)</u>
Total noncurrent assets	<u>\$ 16,244,717</u>	<u>\$ 4,698,649</u>	<u>\$ 1,133,188</u>	<u>\$ 22,076,554</u>	<u>\$ 45,266</u>
Total assets	<u>\$ 21,538,994</u>	<u>\$ 6,410,586</u>	<u>\$ 1,716,198</u>	<u>\$ 29,665,778</u>	<u>\$ 623,698</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Pensions	<u>56,248</u>	<u>28,070</u>	<u>8,646</u>	<u>92,964</u>	
Total assets and deferred outflows of resources	<u>\$ 21,595,242</u>	<u>\$ 6,438,656</u>	<u>\$ 1,724,844</u>	<u>\$ 29,758,742</u>	<u>\$ 623,698</u>
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$ 119,676	\$ 448,452	\$ 31,945	\$ 600,073	\$ 31,555
Accrued liabilities	1,355	665	1,109	3,129	380
Accrued interest payable	24,847	294		25,141	
Sales tax payable		22,955	3,538	26,493	34
Current portion - long-term debt	163,000			163,000	
Current portion - capital leases	<u>27,658</u>	<u>224,168</u>		<u>251,826</u>	
Total current liabilities	<u>\$ 336,536</u>	<u>\$ 696,534</u>	<u>\$ 36,592</u>	<u>\$ 1,069,662</u>	<u>\$ 31,969</u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				INTERNAL SERVICE FUND
	WATER AND SEWER FUND	ELECTRIC FUND	NONMAJOR FUNDS	TOTAL	
Noncurrent liabilities:					
Compensated absences	\$ 46,285	\$ 30,318	\$ 10,648	\$ 87,251	\$ 13,164
Customer deposits payable		265,325		265,325	
Capital leases payable	28,112			28,112	
Revenue bonds payable	8,118,615			8,118,615	
Net pension liability	256,915	128,212	39,491	424,618	
Total noncurrent liabilities	\$ 8,449,927	\$ 423,855	\$ 50,139	\$ 8,923,921	\$ 13,164
Total liabilities	\$ 8,786,463	\$ 1,120,389	\$ 86,731	\$ 9,993,583	\$ 45,133
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Pensions	\$ 44,271	\$ 22,093	\$ 6,805	\$ 73,169	
Net Position:					
Invested in capital assets, net of related debt	\$ 7,905,063	\$ 4,473,350	\$ 1,132,839	\$ 13,511,252	\$ 45,266
Restricted	4,686,196	284,009		4,970,205	
Unrestricted	173,249	538,815	498,469	1,210,533	533,299
Total net position	\$ 12,764,508	\$ 5,296,174	\$ 1,631,308	\$ 19,691,990	\$ 578,565
Total liabilities and deferred inflows of resources and net position	\$ 21,595,242	\$ 6,438,656	\$ 1,724,844		\$ 623,698
Adjustment to reflect the consolidation of ISF activities related to enterprise funds				(33,489)	
Net position of business-type activities				\$ 19,658,501	

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS</u>				
	<u>WATER AND SEWER FUND</u>	<u>ELECTRIC FUND</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL</u>	<u>INTERNAL SERVICE FUND</u>
Operating revenues:					
Charges for sales and services	<u>\$ 3,353,286</u>	<u>\$ 7,512,777</u>	<u>\$ 250,745</u>	<u>\$ 11,116,808</u>	<u>\$ 413,974</u>
Total operating revenues	<u>\$ 3,353,286</u>	<u>\$ 7,512,777</u>	<u>\$ 250,745</u>	<u>\$ 11,116,808</u>	<u>\$ 413,974</u>
Operating expenses:					
Employee salaries	\$ 442,119	\$ 220,910	\$ 248,380	\$ 911,409	\$ 126,174
Employee benefits	247,001	129,796	56,712	433,509	49,533
Contractual services	138,098	130,146	8,141	276,385	775
Supplies	54,445	11,398	84,217	150,060	80,266
Materials	144,561	41,644	14,624	200,829	
Utilities	19,718	11,818	123,462	154,998	39,897
Fuel and oil	24,404	3,826	101	28,331	31
Repairs and maintenance	65,359	229,813	60,275	355,447	103,477
Depreciation	826,919	284,973	114,712	1,226,604	25,814
Bad debts		18,279	3,610	21,889	
Water assessments	16,209			16,209	
Power purchases		3,839,174		3,839,174	
Sewer fees	1,200,985			1,200,985	
Miscellaneous	26,205	32,157	18,502	76,864	1,845
Advertising			3,969	3,969	
Rentals	926	844	1,172	2,942	
Total operating expenses	<u>\$ 3,206,949</u>	<u>\$ 4,954,778</u>	<u>\$ 737,877</u>	<u>\$ 8,899,604</u>	<u>\$ 427,812</u>
Operating income (loss)	<u>\$ 146,337</u>	<u>\$ 2,557,999</u>	<u>\$ (487,132)</u>	<u>\$ 2,217,204</u>	<u>\$ (13,838)</u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS				
	WATER AND SEWER FUND	ELECTRIC FUND	NONMAJOR FUNDS	TOTAL	INTERNAL SERVICE FUND
Nonoperating revenues (expenses):					
Interest revenue	\$ 37,218	\$ 5,686	\$ 30	\$ 42,934	\$ 2,639
Interest expense and fiscal charges	(134,515)	(3,811)		(138,326)	
Grants	251,594			251,594	
Gain (loss) on disposition of fixed assets		1,000		1,000	
Benefit expense	101,246	50,526	15,563	167,335	
Pension expense	(67,447)	(33,659)	(10,367)	(111,473)	
Nonemployer contributions	1,173	585	180	1,938	
Total nonoperating revenues (expenses)	\$ 189,269	\$ 20,327	\$ 5,406	\$ 215,002	\$ 2,639
Income (loss) before transfers and capital contributions	\$ 335,606	\$ 2,578,326	\$ (481,726)	\$ 2,432,206	\$ (11,199)
Transfers In (Out) and Capital Contributions:					
Transfers in	\$ 115,000		\$ 457,800	\$ 572,800	
Transfers out		\$ (2,452,831)		(2,452,831)	
Total transfers in (out) and capital contributions	\$ 115,000	\$ (2,452,831)	\$ 457,800	\$ (1,880,031)	\$...
Change in net position	\$ 450,606	\$ 125,495	\$ (23,926)	\$ 552,175	\$ (11,199)
Total net position - beginning, as restated	12,313,902	5,170,679	1,655,234		589,764
Total net position - ending	<u>\$ 12,764,508</u>	<u>\$ 5,296,174</u>	<u>\$ 1,631,308</u>		<u>\$ 578,565</u>
Adjustment to reflect the consolidation of ISF activities related to enterprise funds				(2,281)	
Changes in net position of business-type activities				<u>\$ 549,894</u>	

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	ENTERPRISE FUNDS			
	WATER AND SEWER FUND	ELECTRIC FUND	NONMAJOR ENTERPRISE FUND	INTERNAL SERVICE FUND
			TOTAL	
Cash Flows From Operating Activities:				
Cash receipts from customers	\$ 3,396,032	\$ 7,479,950	\$ 245,997	\$ 11,121,979
Cash payments to suppliers	(1,691,480)	(4,338,741)	(294,350)	(6,324,571)
Cash payments to employees	(703,663)	(358,247)	(324,456)	(1,386,366)
Net cash provided (used) by operating activities	\$ 1,000,889	\$ 2,782,962	\$ (372,809)	\$ 3,411,042
Cash Flows From Noncapital Financing Activities:				
Loan proceeds received			\$ 3,800	\$ 3,800
Transfers from other funds	\$ 115,000		457,800	572,800
Transfers to other funds		\$ (2,452,831)		(2,452,831)
Net cash provided (used) by noncapital financing activities	\$ 115,000	\$ (2,452,831)	\$ 461,600	\$ (1,876,231)
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	\$ (398,668)	\$ (257,562)	\$ (25,920)	\$ (682,150)
Interest paid on revenue bonds	(134,567)			(134,567)
Principal paid on revenue bonds	(780,000)			(780,000)
Interest paid on capital leases	(1,361)	(4,102)		(5,463)
Principal paid on capital leases	(27,212)	(221,832)		(249,044)
Cash from sale of capital assets		1,000		
Grants/loans received	251,594			251,594
Net cash provided (used) by capital and related financing activities	\$ (1,090,214)	\$ (482,496)	\$ (25,920)	\$ (1,599,630)
Cash Flows From Investing Activities:				
Interest and dividends received	\$ 37,218	\$ 5,686	\$ 30	\$ 42,934
Net cash provided (used) by investing activities	\$ 37,218	\$ 5,686	\$ 30	\$ 42,934
Net increase (decrease) in cash and cash equivalents	\$ 62,893	\$ (146,679)	\$ 62,901	\$ (21,885)
Cash and cash equivalents, July 1	4,902,457	1,292,736	509,022	6,704,215
Cash and cash equivalents, June 30	\$ 4,965,350	\$ 1,146,057	\$ 571,923	\$ 6,682,330

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	ENTERPRISE FUNDS				INTERNAL SERVICE FUND
	WATER AND SEWER FUND	ELECTRIC FUND	OTHER ENTERPRISE FUND	TOTAL	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 146,337	\$ 2,557,999	\$ (487,132)	\$ 2,217,204	\$ (13,838)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	\$ 826,919	\$ 284,973	\$ 114,712	\$ 1,226,604	\$ 25,814
(Increase) Decrease in utility receivables	39,992	(54,665)	(5,408)	(20,081)	
(Increase) Decrease in miscellaneous receivables	2,754	21,838	660	25,252	4,686
Increase (Decrease) in accounts payable	(570)	(38,688)	23,515	(15,743)	(783)
Increase (Decrease) in compensated absences	2,153	974	(4,219)	(1,092)	1,187
Increase (Decrease) in sales tax payable		(704)	208	(496)	(94)
Increase (Decrease) in customer deposits payable		19,750		19,750	
Increase (Decrease) in accrued liabilities	(16,696)	(8,515)	(15,145)	(40,356)	(4,737)
Total adjustments	\$ 854,552	\$ 224,963	\$ 114,323	\$ 1,193,838	\$ 26,073
Net cash provided (used) by operating activities	\$ 1,000,889	\$ 2,782,962	\$ (372,809)	\$ 3,411,042	\$ 12,235

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>PERFORMANCE BONDS</u>	<u>FIRE DEPARTMENT</u>
<u>ASSETS</u>		
Cash and cash equivalents	<u>\$ 7,109</u>	<u>\$ 15,114</u>
Total assets	<u>\$ 7,109</u>	<u>\$ 15,114</u>
<u>LIABILITIES</u>		
Accounts payable	<u>\$...</u>	<u>\$ 456</u>
<u>NET POSITION</u>		
Held in trust	<u><u>\$ 7,109</u></u>	<u><u>\$ 14,658</u></u>

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>PERFORMANCE BONDS</u>	<u>FIRE DEPARTMENT</u>
ADDITIONS:		
Contributions:		
Plan members		\$ 10,537
Total contributions	\$...	\$ 10,537
DEDUCTIONS:		
Administrative expenses		\$ 12,839
Total deductions	\$...	\$ 12,839
Change in net position		\$ (2,302)
Net position - beginning of the year	\$ 7,109	16,960
Net position - end of the year	\$ 7,109	\$ 14,658

The notes to the financial statements are an integral part of this statement.

**PRICE MUNICIPAL CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Price Municipal Corporation (the City) is a municipal corporation governed by an elected mayor and five-member council. The City, incorporated in 1911, provides the following services: public safety, highways and public improvements, parks and recreation, economic development, library, swimming pool, and general administrative services. In addition, the City owns and operates culinary water and electric power systems and maintains its sewer lines.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

A. Reporting Entity

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations.

Blended Component Unit

The Price City Community Development and Urban Renewal Agency is included in this report as the CDRA, a special revenue fund, which is a component unit blended in the City's financial statements. Although the CDRA is clearly established as a separate entity under state law, it is included due to financial accountability and the extensive oversight provided by the City. Members of the City Council serve as the Board of Directors of the CDRA, while city management has operational responsibility for the agency.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. **Government-Wide and Fund Financial Statements (Continued)**

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales taxes, property taxes, franchise taxes, interest, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are recognized as revenue in the year for which they are levied. Amounts received or recognized as receivable at fiscal year end are included in the financial statements as taxes receivable and deferred inflow of resources. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental fund:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those that are required to be accounted for in another fund.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the operation and maintenance of the City's water treatment plant and water and sewer distribution systems.

The Electric Fund accounts for the activities of the City's electric distribution operations.

Additionally, the City reports the following fund types:

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital improvements, facilities, and equipment (other than those financed by proprietary funds and special revenue funds).

The Internal Service Fund accounts for the central financing of data processing goods and services provided to various departments of the City on a cost-reimbursement basis.

The Debt Service Fund accounts for financial resources that are restricted, committed, or assigned for principal and interest payments on governmental debt.

The Price City Trust Fund (a fiduciary fund) accounts for the assets held by the City as an agent for the Price City Fire Department and individuals or groups who have paid performance bonds to the City.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Budgetary Data

Budgets are presented on the modified accrual basis of accounting for all governmental funds and on the accrual basis for proprietary funds. Budgets are not adopted for the Price City Trust Fund. All annual appropriations lapse at fiscal year end. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- 1) During May of each year, the Mayor submits to the City Council a proposed operating budget for the next fiscal year commencing July 1st. The operating budget includes proposed expenditures and the proposed sources of revenues. A final budget for the current year ending June 30 is also included.
- 2) Copies of the proposed budget are made available for public inspection and review by the citizens of the City.
- 3) If the City does not exceed the certified tax rate, a public hearing is held prior to June 22, and the budget is legally adopted through passage of a resolution. If the City exceeds the certified tax rate, the budget is adopted in August when data is available to set the rate.
- 4) Once adopted, the budget can be amended by subsequent City Council action. The City Council can approve reductions in appropriations, but increases in appropriations, by fund, require a public hearing prior to amending the budget. In accordance with Utah State law, interim adjustments may be made by the administrative transfer of money from one appropriation to another within any given fund.
- 5) Minor interim adjustments in estimated revenues and appropriations during the year ended June 30, 2015, have been included in the final budget approved by the City Council, as presented in the financial statements.
- 6) Expenditures may not legally exceed budgeted appropriations at the department level for the General Fund and the fund level for all other funds.

E. Cash and Cash Equivalents

The City considers cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including investments in the Public Treasurers' Investment Fund (PTIF), to be cash and cash equivalents.

F. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

G. Inventories

Inventories consist of petroleum products used to operate and maintain the City's vehicles and equipment and are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

H. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, infrastructure assets (e.g., roads, curb, gutter, sidewalks, and similar items), computer software, and water stock, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Buildings, improvements, equipment, and infrastructure assets of the City are depreciated using the straight-line method over the following estimated lives:

Buildings	10-50
Improvements	10-50
Office equipment	5-10
Machinery and equipment	5-10
Automotive equipment	5-20
Infrastructure	30-40
Computer software	5

I. Compensated Absences

Accumulated unpaid vacation is accrued as incurred based on the years of service for each employee. Vacation is accumulated on a monthly basis and is fully vested when earned. Accumulated vacation cannot exceed 240 hours at the end of any calendar year and any vacation in excess of this amount is forfeited. At retirement, death, or termination, all unpaid accrued vacation is paid.

Accumulated sick leave is earned at a rate of one day per month. Employees may accumulate 960 hours of sick leave. Upon retirement, death, or termination, one-fourth of the accumulated sick leave, not to exceed one month's base pay, is paid.

Employees can also accumulate comp time hours up to 80 hours. Employees are paid for unused comp time upon retirement, death, or termination.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

I. **Compensated Absences (Continued)**

All vacation, sick, and comp time pay is accrued when incurred in the government-wide and internal service fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. **Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

K. **Fund Equity**

In February 2009, GASB issued Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, effective for fiscal years beginning after June 15, 2010. Fund balance classification changes apply only to governmental fund types; thus, only fund financial statements are affected.

Nonspendable Fund Balance – Fund balances are reported as nonspendable when they cannot be spent because they are not spendable in form or are legally or contractually required to be maintained intact.

Restricted Fund Balance-Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, or by law through constitutional provisions or enabling legislation.

Committed Fund Balance-Fund balances are reported as committed when the City Council, the City's highest level of decision-making authority, formally designates the use of resources, by resolution, for a specific purpose. The same formal action must be taken to remove or change the constraints placed on the resources.

Assigned Fund Balance-Fund balances are reported as assigned when the City intends to use funds, which are neither restricted nor committed, for a specific purpose. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.

Pursuant to the City's *Fund Balance Policy in Accordance with GASB Statement No. 54*, the City Council may set aside funds for specific purposes. The Finance Director also has the authority to assign amounts for the purpose of reporting such amounts in the annual financial statements. A simple majority vote, taken at a regular or special meeting of the City Council and recorded in the minutes, is required to assign fund balance. The same action is required to change or remove the assignment.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

K. Fund Equity (Continued)

Unassigned Fund Balance-Fund balances in the general fund are reported as unassigned when they are neither restricted nor committed or assigned. They may be used for any governmental purpose. In other governmental funds, the unassigned classification is only used to report a negative fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the policy of the City to consider restricted amounts to have been spent first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City that committed amounts will be spent first, followed by assigned amounts, and then unassigned amounts.

The City has adopted a formal Fund Balance Policy. As a part of that policy, the City has adopted the following Minimum Fund Balance Policy: "The City will strive to maintain an unrestricted fund balance of not less than 10% of total general fund revenues of the prior fiscal year. In the event that the balance drops below the established level, the City Council will develop a plan to replenish the fund balance to the established minimum level within two years."

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one type of item that qualifies for reporting in this category; deferred outflows relating to pensions as described in Note 6.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items which qualify for reporting in this category. The City reports unavailable revenues from property taxes and deferred inflows relating to pensions as described in Note 6. These amounts are deferred and recognized as revenues in the period that the amounts become available.

M. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

2. **DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the combined balance sheet as cash and investments. Income from the investment of pooled cash is allocated based on fund balance. In addition, cash is separately held by individual funds.

The City follows the requirements of the Utah Money Management Act (Utah Code Annotated, Title 51, Chapter 7) in handling its depository and investment transactions. The City does not have separate policies that address the specific types of deposit and investment risks to which the City is exposed.

Deposits

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. The City's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires the depositing of City funds in a *qualified depository*. The Act defines a *qualified depository* as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The City's deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Deposits are not collateralized nor are they required to be by state statute. The City's deposits at June 30, 2015, were \$404,361. All of the deposits were insured and collateralized through Wells Fargo Bank.

Investments

The Money Management Act defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Authorized investments include negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; and shares or certificates in a money market mutual fund as defined in the Act.

The City is also authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external investment pool managed by the Utah State Treasurer's Office. The PTIF is not registered with the SEC as an investment company, and is authorized and regulated by the Money Management Act and the Money Management Council. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses – net of administration fees – of the PTIF are allocated based on the participants' average daily balances. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

2. **DEPOSITS AND INVESTMENTS (Continued)**

As of June 30, 2015, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Maturity</u>	<u>Quality Rating</u>
Utah Public Treasurer's Investment Fund	\$ 9,194,083	65.04 days *	Not Rated

* Weighted-average maturity

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by investing only in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

Credit Risk

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

3. **RESTRICTED CASH**

During prior years, the City issued six water & sewer revenue bonds for the construction and improvement of its culinary water system; namely, a main water transmission line and a ten million gallon water tank. In 2009, water and sewer revenue bonds were issued to reconstruct the exterior of the Public Works Complex and for sewer lines. Additional water and sewer revenue bonds were issued in 2010 for water and sewer lines.

Excise tax road revenue bonds were issued in 2009 for street improvements. In connection with the bond agreement, the City has established bond sinking and bond reserve funds. These funds are to assure that adequate money is available to service debt payments as they come due.

3. **RESTRICTED CASH (Continued)**

Reserved amounts are shown below, along with other restricted funds.

Enterprise Funds

Sinking/reserve funds	\$ 1,875,682
Capital improvements	2,810,514
Cost recovery	284,009
	<u>\$ 4,970,205</u>

Debt Service Fund

Reserve/sinking accounts	\$ 8,522
	<u>\$ 8,522</u>

Special Revenue Fund

Drug Task Force	\$ 17,475
	<u>\$ 17,475</u>

4. **PROPERTY TAXES**

The property tax revenue of the City is collected and distributed by the Carbon County treasurer as an agent of the City. Utah statutes establish the process by which taxes are levied and collected. The county assessor is required to assess real property as of January 1, and complete the tax rolls by May 15. By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1, and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at an annual rate equal to the federal discount rate plus 6%; the interest period is from January 1, until the date paid.

As of June 30, 2015, property taxes receivable consist of 1) delinquent taxes assessed but uncollected for calendar year 2014 and earlier and 2) taxes assessed as of January 1, 2015, but are not due and payable until November 30, 2015. It is expected that all delinquencies, plus accrued interest and penalties, will be collected within a five-year period, during which time, the county treasurer may force the sale of property to collect the delinquent portion. Only the portion of property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements.

4. **PROPERTY TAXES (Continued)**

Beginning January 1, 1992, there was levied, in lieu of the ad valorem tax, an annual uniform fee based on the value of motor vehicles. The uniform fee was 1.5% of the fair market statewide value of the property, as established by the State Tax Commission. On January 1, 1999, legislation became effective which made motor vehicles weighing 12,000 pounds or less subject to an "age-based" fee that is due each time the vehicle is registered. The revenues collected in each county, from the uniform fee, are distributed by the county to each taxing entity in which the property is located, in the same proportion in which revenue collected from ad valorem real property tax is distributed. The City recognizes age-based fees as revenues when collected by the county.

5. **CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,015,137			\$ 1,015,137
Other assets	96,500			96,500
Work in progress	404,100	\$ 67,234	\$ (400,729)	70,605
Total capital assets not being depreciated	<u>\$ 1,515,737</u>	<u>\$ 67,234</u>	<u>\$ (400,729)</u>	<u>\$ 1,182,242</u>
Capital assets being depreciated:				
Buildings	\$ 6,080,606			\$ 6,080,606
Improvements other than buildings	4,825,048	\$ 615,545		5,440,593
Machinery and equipment	5,047,339	396,316	\$ (211,670)	5,231,985
Computer software	114,000			114,000
Infrastructure	27,122,961	33,849		27,156,810
Total capital assets being depreciated:	<u>\$ 43,189,954</u>	<u>\$ 1,045,710</u>	<u>\$ (211,670)</u>	<u>\$ 44,023,994</u>

5. **CAPITAL ASSETS (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Less accumulated depreciation for:				
Buildings	\$ 4,178,821	\$ 141,633		\$ 4,320,454
Improvements other than buildings	2,254,572	227,467		2,482,039
Machinery and equipment	3,578,504	255,731	\$ (211,670)	3,622,565
Computer software	105,192	8,808		114,000
Infrastructure	22,089,328	196,917		22,286,245
Total accumulated depreciation	<u>\$ 32,206,417</u>	<u>\$ 830,556</u>	<u>\$ (211,670)</u>	<u>\$ 32,825,303</u>
Total capital assets being depreciated, net	<u>\$ 10,983,537</u>	<u>\$ 215,154</u>	<u>\$...</u>	<u>\$ 11,198,691</u>
Governmental activities capital assets, net	<u><u>\$ 12,499,274</u></u>	<u><u>\$ 282,388</u></u>	<u><u>\$ (400,729)</u></u>	<u><u>\$ 12,380,933</u></u>

5. **CAPITAL ASSETS (Continued)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 214,660			\$ 214,660
Water stock	994,922			994,922
Work in progress	<u>12,999</u>	<u>\$ 26,474</u>	<u>\$ (12,999)</u>	<u>26,474</u>
Total capital assets not being depreciated	<u>\$ 1,222,581</u>	<u>\$ 26,474</u>	<u>\$ (12,999)</u>	<u>\$ 1,236,056</u>
Capital assets being depreciated:				
Buildings	\$ 12,177,114			\$ 12,177,114
Improvements other than buildings	30,972,817	\$ 637,437		31,610,254
Machinery and equipment	<u>1,370,615</u>	<u>31,236</u>	<u>\$ (14,815)</u>	<u>1,387,036</u>
Total capital assets being depreciated:	<u>\$ 44,520,546</u>	<u>\$ 668,673</u>	<u>\$ (14,815)</u>	<u>\$ 45,174,404</u>
Less accumulated depreciation for:				
Buildings	\$ 7,474,548	\$ 288,109		\$ 7,762,657
Improvements other than buildings	14,615,788	879,167		15,494,955
Machinery and equipment	<u>1,035,531</u>	<u>59,328</u>	<u>\$ (14,815)</u>	<u>1,080,044</u>
Total accumulated depreciation	<u>\$ 23,125,867</u>	<u>\$ 1,226,604</u>	<u>\$ (14,815)</u>	<u>\$ 24,337,656</u>
Total capital assets being depreciated, net	<u>\$ 21,394,679</u>	<u>\$ (557,931)</u>	<u>\$...</u>	<u>\$ 20,836,748</u>
Business-type activities capital assets, net	<u>\$ 22,617,260</u>	<u>\$ (531,457)</u>	<u>\$ (12,999)</u>	<u>\$ 22,072,804</u>

5. **CAPITAL ASSETS (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 137,095
Public safety	152,300
Highways and public improvements	277,333
Parks and recreation	238,014
Capital assets held by the City's internal service fund are charged to the various functions based on their usage of the assets	<u>25,814</u>
Total depreciation expense - governmental activities	<u>\$ 830,556</u>
Business-type Activities:	
Water and sewer	\$ 826,919
Electric	284,973
Swimming pool	<u>114,712</u>
Total depreciation expense - business-type activities	<u>\$ 1,226,604</u>
Total depreciation expense	<u><u>\$ 2,057,160</u></u>

6. **PENSION PLANS**

General Information about the Pension Plan

Plan Description Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System); and Firefighters Retirement System (Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.
- The Public Safety retirement System (Public Safety System) is a mixed agent and cost sharing, multiple employer retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) and the Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) are multiple employer, cost sharing, public employees, retirement systems.

6. PENSION PLANS (Continued)

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

Systems' 401(k) Defined Contribution Plan - The City also sponsors a defined contribution retirement plan under Internal Revenue Code Section 401(k), which is administered by the Utah Retirement Systems. The plan covers all full-time City employees who participate in the State's contributory and non-contributory retirement plans. Participants are fully vested in employer and employee contributions. The City's contribution rates are determined by resolution of the City. Participants may make tax deferred contributions through a salary reduction agreement up to a maximum of \$18,000.

Systems; 457 Deferred Compensation Plan - The City also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits employees to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. The assets of the plan are administered and held by the Utah Retirement Systems and a third-party administrator.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

6. **PENSION PLANS (Continued)**

Benefits provided: URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

Summary of Benefits by System

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

*with actuarial reductions

** All post-retirement cost-of-living adjustments non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

6. PENSION PLANS (Continued)

Contributions As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

Utah State Retirement Systems

	Employee Paid	Employer for Employee	Contribution Rates
Contributory System			
111 - Local Governmental Division Tier 2	N/A	N/A	14.830%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	N/A	18.470%
Public Safety Retirement System			
75 - Other Division A Noncontributory Tier 1	N/A	N/A	35.710%
122 - Other Division A Contributory Tier 2	N/A	N/A	23.710%
Firefighters System			
31 - Division A Tier 1	N/A	15.050%	3.820%
132 - Division B Tier 2	N/A	N/A	10.800%

Pension Assets, Liabilities, Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions -

At December 31, 2014, the City reported a net pension asset of \$17,406 and a net pension liability of \$1,971,470.

	Proportionate Share	Net Pension Asset	Net Pension Liability
Noncontributory System	0.2923245%		\$ 1,269,342
Public Safety System	0.5583151%		702,128
Firefighters System	0.2649223%	\$ 15,117	
Tier 2 Public Employees System	0.0424062%	1,285	
Tier 2 Public Safety and Firefighter System	0.0678675%	1,004	
Total Net Pension Asset/Liability		<u>\$ 17,406</u>	<u>\$ 1,971,470</u>

6. **PENSION PLANS (Continued)**

The net pension asset and liability were measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014, and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

For the year ended December 31, 2014, the City recognized pension expense of \$517,565. At December 31, 2014, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 33	\$ 111,977
Changes in assumptions		227,741
Net difference between projected and actual earnings on pension plan investments	46,912	
Contributions subsequent to the measurement date	384,683	
Total	<u>\$ 431,628</u>	<u>\$ 339,718</u>

\$384,683 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to our fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Deferred Outflows (inflows) of Resources</u>
2015	\$ (78,624)
2016	(78,624)
2017	(78,624)
2018	(50,270)
2019	(1,963)
Thereafter	(4,666)

6. **PENSION PLANS (Continued)**

Actuarial assumptions - The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.50 - 10.50 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below.

Retired Member Mortality

Class of Member

Educators

Men EDUM (90%)

Women EDUF(100%)

Public Safety and Firefighters

Men RP 2000mWC (100%)

Women EDUF (120%)

Local Government, Public Employees

Men RP 2000mWC (100%)

Women EDUF (120%)

EDUM = Constructed mortality table based on actual experience of male educators multiplied by given percentage
EDUF = Constructed mortality table based on actual experience of female educators multiplied by given percentage

RP 2000mWC = RP 2000 Combined mortality table for males with white collar adjustments multiplied by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period of January 1, 2008 - December 31, 2013.

6. PENSION PLANS (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best- estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
		Inflation	2.75%
		Expected arithmetic nominal return	7.98%

The 7.50 percent assumed investment rate of return is comprised of an inflation rate of 2.75 percent, a real return of 4.75 percent that is net of investment expense.

Discount rate - The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

6. PENSION PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent) or one-percentage point higher (8.50 percent) than the current rate:

	Expected Return Arithmetic Basis		
	Target	Real Return	Long-Term expected
	1%	Discount	1%
	Decrease	Rate	Increase
	(6.50%)	(7.50%)	(8.50%)
Proportionate Share of			
Net Pension (Asset) / Liability	\$ 4,887,983	\$ 1,954,064	\$ (466,569)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

7. LONG-TERM DEBT

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 23,000		\$ 23,000	\$ 163,000	\$ 32,789	\$ 195,789
2017	23,000		23,000	706,000	121,426	827,426
2018	23,000		23,000	653,000	109,647	762,647
2019	23,000		23,000	666,000	97,786	763,786
2020	23,000		23,000	677,000	85,596	762,596
2021-2025	41,000		41,000	2,808,615	253,129	3,061,744
2026-2030				2,011,000	82,276	2,093,276
2031-2035				338,000	2,380	340,380
2036-2040				180,000		180,000
2041-2042				79,000		79,000
	<u>\$ 156,000</u>	<u>\$...</u>	<u>\$ 156,000</u>	<u>\$ 8,281,615</u>	<u>\$ 785,029</u>	<u>\$ 9,066,644</u>

7. **LONG-TERM DEBT (Continued)**

Revenue Bonds – Revenue bonds payable at June 30, 2015, with their outstanding balances, are comprised of the following individual issues:

Governmental Activities:

\$225,000 Taxable Excise Tax Road Bonds, Series 2013, due in annual principal installments of \$18,000 to \$23,000, beginning July 1, 2013 through July 1, 2022, at zero percent interest rate.	\$ 156,000
Total	<u>\$ 156,000</u>

Business-type Activities:

\$1,250,000 Water & Sewer Revenue Bonds, Series 1995A, due in annual principal installments of \$61,000 to \$64,000, beginning July 1, 1997, through July 1, 2016, interest of 0.29% per annum.	\$ 64,000
\$2,997,615 Water & Sewer Revenue Bonds, Series 1995B, due in annual principal installments of \$93,000 to \$169,615, beginning July 1, 1997, through July 1, 2021, interest of 3.00% per annum.	933,615
\$2,885,000 Water & Sewer Revenue Bonds, Series 2002A, due in annual principal installments of \$96,000 to \$137,000, beginning July 1, 2004, through July 1, 2028, interest of 1.5% per annum.	1,634,000
\$1,900,000 Water & Sewer Revenue Bonds, Series 2002B, due in annual principal installments of \$75,000 to \$118,000, beginning July, 2003, through July 1, 2022, interest of 2.47% per annum.	773,000
\$1,250,000 Water & Sewer Revenue Bonds, Series 2002C, due in annual principal installments of \$37,000 to \$67,000, beginning July 1, 2004, through July 1, 2028, interest of 2.50% per annum.	744,000

7. **LONG-TERM DEBT (Continued)**

Business-type Activities (Continued):

\$1,250,000 Water & Sewer Revenue Bonds, Series 2002D, due in annual principal installments of \$50,000, beginning July 1, 2004, through July 1, 2028, at zero percent interest rate.	\$ 650,000
\$340,000 Water & Sewer Revenue Bonds, Series 2009, due in annual principal installments of \$17,000, beginning July 1, 2010, through July 1, 2029, at a zero percent interest rate.	238,000
\$850,000 Taxable Water & Sewer Revenue Bonds, Series 2009B, due in annual principal installments of \$42,000 to \$43,000, beginning October 1, 2011, through October 1, 2030, at a zero percent interest rate.	682,000
\$1,906,000 Water & Sewer Revenue Bonds, Series 2010 (Federally Taxable-Issuer Subsidy-Build America Bonds), due in annual principal installments of \$78,000 to \$115,000, beginning October 1, 2011, through October 1, 2030, interest of 2.07% per annum.	1,584,000
\$387,000 Taxable Water & Sewer Revenue Bonds, Series 2011A, due in annual principal installments of \$13,000, with the last payment being \$10,000, beginning October 1, 2012, through October 1, 2041, at a zero percent interest rate.	348,000
\$700,000 Taxable Water & Sewer Revenue Bonds, Series 2011B, due in annual principal installments of \$23,000, with the last payment being \$33,000, beginning October 1, 2012, through October 1, 2041, at a zero percent interest rate.	631,000
	<u>\$ 8,281,615</u>

7. **LONG-TERM DEBT (Continued)**

Excise tax road revenue bonds issued during fiscal year 2013 were for the reconstruction of 300 West from 200 South to 600 South and 700 East from Main Street to 100 South.

Revenue bonds issued for business-type activities, except the Series 2009 Water and Sewer Revenue Bonds, were used for the construction, repair, and maintenance of water and sewer lines within the City. The Series 2009 Bonds were used to reconstruct the exterior of the Public Works Complex.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
Revenue bonds - CIB	\$ 254,000		\$ (98,000)	\$ 156,000	\$ 23,000
Compensated absences	345,659	\$ 1,187	(3,333)	343,513	
Net pension liability	1,958,349	177,950	(589,447)	1,546,852	
Governmental activity long-term liabilities	<u>\$ 2,558,008</u>	<u>\$ 179,137</u>	<u>\$ (690,780)</u>	<u>\$ 2,046,365</u>	<u>\$ 23,000</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 9,061,615		\$ (780,000)	\$ 8,281,615	\$ 163,000
Capital leases	528,982		(249,044)	279,938	251,826
Compensated absences	88,343		(1,092)	87,251	
Net pension liability	537,576	\$ 48,848	(161,806)	424,618	
Business-type activity long-term liabilities	<u>\$ 10,216,516</u>	<u>\$ 48,848</u>	<u>\$ (1,191,942)</u>	<u>\$ 9,073,422</u>	<u>\$ 414,826</u>

8. CAPITAL LEASES

The City has entered into two lease agreements as lessee for financing 1) the acquisition of a 10 wheel dump truck for the Water Department and 2) the rebuild of the city hall substation and installation of a new feeder line in the Electric Fund.

These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Machinery and equipment		\$ 137,327
Other improvements		407,485
		<hr/>
Total assets		\$ 544,812
Less: Accumulated depreciation		41,048
		<hr/>
Net	\$...	\$ 503,764
	<hr/>	<hr/>

The future minimum lease obligations and the net present value of the minimum lease payments as of June 30, 2015, are as follows:

<u>Years Ending June 30,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2016		\$ 254,507
2017		28,573
		<hr/>
Total minimum lease payments		\$ 283,080
Less: amount representing interest		(3,142)
		<hr/>
Present value of minimum lease payments	\$...	\$ 279,938
	<hr/>	<hr/>

9. **CONTINGENT LIABILITIES**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state and federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City has two pending potentially material litigation cases and no notice of material claims and assessments filed against it. The exposure in these cases is low.

The City has a loan guarantee program by which it will guarantee up to \$10,000 on a bank loan owed by a local business. The City's policy is to set aside 80% of the loan guarantee amount in case of default. The City does not have any outstanding guarantees as of June 30, 2015.

10. **COMMUNITY DEVELOPMENT AND RENEWAL AGENCY**

During the year ended June 30, 2015, the CDRA did not collect any tax increment for East or West Price. Thus, the CDRA did not pay any tax increment to any taxing agency or unit. Currently, the CDRA has no outstanding bonds or loans.

During the fiscal year ended June 30, 2015, the CDRA did not acquire any property or make any site improvements. The agency incurred the following expenditures:

	<u>East Price</u>	<u>West Price</u>
Administration	\$ 23,291	
Infrastructure	181,481	\$20,499

The CDRA paid two developers in the West Price project area \$10,000 each as a reimbursement for the installation of water and sewer lines which were dedicated to the City. The payments were the final of five annual installments. It also paid \$499 for a new flag as part of its participation in the community flag pole project.

With respect to the East Price project area, the CDRA transferred \$66,481 to the City's Capital Projects Fund as matching funds for the construction of a 36 foot wide asphalt pavement surface from Airport Road to approximately 250 North. In addition, it transferred \$115,000 to the City's Water and Sewer Fund as matching funds for water and sewer lines which were installed prior to the road construction. This project was known as the 1900 East project. See Footnote 16 for further information regarding the transfers. The CDRA did not incur any further expenditures for the installation of public utilities or other public improvements.

11. **PROPERTY TAX CALENDAR**

The City adopts, by June 22, the proposed tax rates as part of its budget for the current year, which begins July 1. If the proposed rates exceed a certified tax rate, a special public hearing must be held before the final rate is adopted. The final tax rate is assessed by the county assessor on property in the county as of July 1. The taxes are payable to the city treasurer by the end of November and are remitted to the City by the county treasurer as collected.

12. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City issued revenue bonds in the Water and Sewer Fund for the purpose of constructing storage and distribution systems for culinary water, replacing sewer lines, and reconstructing the exterior of the Public Works Complex. Both the Water and Sewer departments are accounted for in a single fund. The City also operates an Electric Fund, which provides electrical power to residents of the City. During the year, the Electric Fund made a material transfer of funds to the General Fund.

In addition, the City operates four other enterprise funds, the Pool Fund, the Price City Economic Vitality Fund, the Driving School Fund, and the Storm Water Fund. The Pool Fund records the transactions associated with the operation of the Desert Wave Pool. The Price City Economic Vitality Fund accounts for loans granted to small businesses located within the City. The Driving School Fund tracks transactions of a traffic school conducted by the Price City Police Department. The Storm Water Fund accounts for activities associated with the management of storm water. Segment information is reported for these funds due to material operating transfers into the funds or because of material enterprise fund operating income or loss.

A summary of the financial statements for these enterprise funds is presented below:

CONDENSED STATEMENT OF NET POSITION

	Pool Fund	Price City Economic Vitality	Driving School Fund	Storm Water Fund
Assets:				
Current assets	\$ 266,699	\$ 116,556	\$ 7,682	\$ 192,073
Capital assets	1,132,839			
Net pension asset	349			
	<u>\$ 1,399,887</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 192,073</u>
Total assets				
	<u>\$ 1,399,887</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 192,073</u>
Deferred Outflows of Resources:				
Pensions	\$ 8,646	\$...	\$...	\$...
	<u>\$ 8,646</u>	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>
Liabilities:				
Current liabilities	\$ 27,857			\$ 8,735
Noncurrent liabilities	50,139			
	<u>\$ 77,996</u>	<u>\$...</u>	<u>\$...</u>	<u>\$ 8,735</u>
Total liabilities				
	<u>\$ 77,996</u>	<u>\$...</u>	<u>\$...</u>	<u>\$ 8,735</u>
Deferred Inflows of Resources:				
Pensions	\$ 6,805	\$...	\$...	\$...
	<u>\$ 6,805</u>	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>
Net Position:				
Net investment in capital assets	\$ 1,132,839			
Unrestricted	190,893	\$ 116,556	\$ 7,682	\$ 183,338
	<u>190,893</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 183,338</u>
Total net position				
	<u>\$ 1,323,732</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 183,338</u>

12. SEGMENT INFORMATION FOR ENTERPRISE FUNDS (Continued)

**CONDENSED STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

	Pool Fund	Price City Economic Vitality	Driving School Fund	Storm Water Fund
Operating revenues	\$ 169,364	\$ 30	\$ 80	\$ 81,271
Depreciation expense	(114,712)			
Other operating expenses	(602,247)	(3,970)		(16,948)
Operating income/(loss)	\$ (547,595)	\$ (3,940)	\$ 80	\$ 64,323
Nonoperating revenue (expense):				
Interest income		\$ 30		
Benefit expense	\$ 15,563			
Pension expense	(10,367)			
Nonemployer contributions	180			
Total nonoperating revenue (expense)	\$ 5,376	\$ 30	\$...	\$...
Transfers:				
Transfers in	\$ 457,800			
Total transfers	\$ 457,800	\$...	\$...	\$...
Change in net position	\$ (84,419)	\$ (3,910)	\$ 80	\$ 64,323
Beginning net position, restated	1,408,151	120,466	7,602	119,015
Ending net position	\$ 1,323,732	\$ 116,556	\$ 7,682	\$ 183,338

12. SEGMENT INFORMATION FOR ENTERPRISE FUNDS (Continued)

	Pool Fund	Price City Economic Vitality	Driving School Fund	Storm Water Fund
Operating revenues:				
Charges for services	\$ 169,364	\$ 30	\$ 80	\$ 81,271
Depreciation expense	(114,712)			
Operating income (loss)	(547,595)	(3,940)	80	64,323
Operating transfers in (out)	457,800			
Gain(loss) on disposition of capital assets				
Grants				
Net income (loss)	(84,419)	(3,910)	80	64,323
Property, plant, and equipment:				
Additions	25,920			
Net working capital	238,842	116,556	7,682	183,338
Total assets	1,399,538	116,556	7,682	192,073
Capital leases payable				
Total equity	1,323,732	116,556	7,682	183,338

CONDENSED STATEMENT OF CASH FLOWS

Net cash provided (used) by:				
Operating activities	\$ (436,599)	\$ (3,940)	\$ 80	\$ 67,650
Noncapital financing activities	457,800	3,800		
Capital and related financing activities	(25,920)			
Investing activities		30		
Net increase (decrease)	\$ (4,719)	\$ (110)	\$ 80	\$ 67,650
Beginning cash and cash equivalents	271,418	115,871	7,602	114,131
Ending cash and cash equivalents	<u>\$ 266,699</u>	<u>\$ 115,761</u>	<u>\$ 7,682</u>	<u>\$ 181,781</u>

13. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Price City mitigates this exposure by transferring risk using a portfolio of insurance coverage including general liability, property, auto, and workers compensation. In 2015, after soliciting proposals, Price City consolidated all risk insurance coverage for the entity to Utah Local Governments Trust, a government risk pool.

The aggregate limit and single limit per occurrence for general liability insurance is \$5 million with no deductible. The policy provides coverage for bodily injury, property damage, law enforcement liability, personal injury, and public official's errors and omissions. Last year crime and fidelity insurance coverage was added to this single policy. The risk pool is self-insured up to \$750,000 for general liability after which major losses are covered by reinsurance through Munich Reinsurance America.

The risk pool is self-insured up to \$150,000 for property after which major losses are covered by reinsurance through Travelers Indemnity Company. Earthquake coverage was recently added to property insurance.

The risk pool retains \$750,000 of risk for workers compensation insurance, after which reinsurance is provided by Safety National Casualty Company.

All reinsurance companies are rated excellent or superior.

14. RELATED PARTY TRANSACTIONS

Joe Piccolo, Mayor, owns three automotive businesses in Price. During the fiscal year ended June 30, 2015, the City made payments to these businesses in the amount of \$13,744 for goods and services. The City owed \$1,859 at year end.

Wayne Clausing, City Councilmember, manages a nationally branded home improvement store. During the year ended June 30, 2015, the City made payments to the business in the amount of \$23,823 for goods. The City owed \$987 at year end.

A fireman with the Price City Fire Department owns and operates a landscaping business. During the year ended June 30, 2015, the City made payments to the businesses in the amount of \$3,290 for services. The City did not owe anything at year end.

Two other firemen own and operate a printing company. During the year ended June 30, 2015, the City made payments to the business in the amount of \$4,195 for goods and services. The City owed \$130 at year end.

Two additional firemen own plumbing businesses. During the year ended June 30, 2015, the City made payments to one of the businesses in the amount of \$152 for goods and services and \$980 to the other. The City did not owe anything at year end.

Another fireman owns and operates a steel fabrication business. During the year ended June 30, 2015, the City made payments to the business in the amount of \$18,999 for goods and services. The City owed \$154 at year end.

14. RELATED PARTY TRANSACTIONS (Continued)

Nick Tatton, Community Director, owns a business called St. Nick's Workshop. During the year ended June 30, 2015, the City made payments to the business in the amount of \$200 for services. The City did not owe anything at year end.

15. RECEIVABLES

Receivables as of June 30, 2015, for the City's individual major funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	GENERAL FUND	WATER & SEWER FUND	ELECTRIC FUND	CAPITAL PROJECTS FUND	NONMAJOR & OTHER FUNDS	TOTAL
Receivables:						
Taxes	\$ 871,476					\$ 871,476
Accounts		\$ 337,895	\$ 565,416		\$ 10,292	913,603
Miscellaneous	72,475		5,903		1,295	79,673
Due from other governments	653,374				23,852	677,226
Gross receivables	\$ 1,597,325	\$ 337,895	\$ 571,319	\$...	\$ 35,439	\$ 2,541,978
Less: allowance for uncollectible accounts		(8,968)	(5,439)			(14,407)
Net receivables	\$ 1,597,325	\$ 328,927	\$ 565,880	\$...	\$ 35,439	\$ 2,527,571

16. INTERFUND BALANCES AND TRANSFERS

Internal Balances – Included in internal balances on the financial statements are individual fund receivable and payable balances at June 30, 2015, as follows:

	DUE FROM OTHER FUNDS	DUE TO OTHER FUNDS
Internal balance - Governmental activities	\$ 33,489	
Internal balance - Business-type activities		\$ 33,489
Total internal balances	\$ 33,489	\$ 33,489

16. INTERFUND BALANCES AND TRANSFERS (Continued)

Transfers – Interfund transfers during the year ended June 30, 2015, were as follows:

TRANSFERS OUT	TRANSFERS IN						TOTAL
	GENERAL FUND	DRUG TASK FORCE	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	WATER & SEWER FUND	POOL FUND	
General Fund		\$ 78,325	\$ 76,883	\$ 108,000		\$ 457,800	\$ 721,008
CDRA			66,481		\$ 115,000		181,481
Enterprise Electric Fund	\$ 2,452,831						2,452,831
Totals	\$ 2,452,831	\$ 78,325	\$ 143,364	\$ 108,000	\$ 115,000	\$ 457,800	\$ 3,355,320

The transfer from the Electric Fund to the General Fund and the transfers from the General Fund to the Drug Task Force and Pool Funds were subsidy transfers made to cover operating expenditures/expenses of the respective funds. The \$108,000 transfer from the General Fund to the Debt Service Fund consists of sales tax and Class C road revenues to make principal payments on related debt. Money transferred to the Capital Projects Fund from the General Fund was ZAP tax funds for capital improvements.

In June of 2014, the City was awarded \$1,202,300 in grants, with a \$185,000 cash match, to construct water, sewer, and road improvements along 1900 East in the East Price project area. The matching funds were paid by the CDRA.

17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description - The City administers a single-employer defined benefit healthcare plan for retirees (the Plan). The City is the only employer participating and contributing to the Plan. The Plan does not issue a publicly available financial report.

The Plan provides lifetime healthcare insurance for eligible retirees (employees age 62 or older, completed at least 20 years of full-time service with the City, and hired before July 1, 1997) and their dependents. The City also provides dental insurance to eligible retirees between the ages of 62 and 65. Pharmacy benefits are included in the City's medical coverage. Employees on disability, as defined by the Utah State Retirement Systems, or Federal Social Security System, are also eligible to participate. Benefit provisions are established through local policy and may be amended at any time by the Mayor and City Council.

The City's regular health and dental care benefit providers underwrite the retirees' policies until they reach 65 years of age. At age 65, the City pays for a Medicare supplement policy, up to \$300 a month, for the retirees and their dependents, which includes medical and pharmaceutical coverage only; dental coverage is no longer provided. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

17. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

Plan members consist of the following at June 30, 2015, the most recent valuation date:

Retirees and beneficiaries receiving benefits	55
Active plan members	<u>27</u>
	<u>82</u>

Funding Policy - The City contributes the full cost of current-year premiums for eligible retired plan members and their dependents between the ages of 62 and 65, and up to \$300 per month for the Medicare supplement as long as the plan member retired prior to August 13, 2014. For those retiring after August 13, 2014, the City pays 90% of the current-year premiums. If plan members elect coverage beyond the basic plan, they are responsible for the difference. The City finances the Plan on a pay-as-you-go basis. For the year ended June 30, 2015, the City contributed \$104,457 to the Plan for current retiree healthcare/dental premiums. Plan members did not contribute any of their healthcare premium costs during the year.

Annual OPEB Cost and Net OPEB Obligation - The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the City's net OPEB obligation to the Plan:

Annual required contribution	\$ 309,907
Interest on net OPEB obligation	22,545
Adjustment to annual required contribution	<u>(41,748)</u>
Annual OPEB cost (expense)	\$ 290,704
Contributions made	<u>(104,457)</u>
Increase in net OPEB obligation	\$ 186,247
Net OPEB obligation-beginning of year	<u>1,127,193</u>
Net OPEB obligation-end of year	<u>\$ 1,313,440</u>

17. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and the preceding two fiscal years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/13	318,462	29.2%	913,205
6/30/14	315,457	32.2%	1,127,193
6/30/15	290,704	35.9%	1,313,440

Funded Status and Funding Progress - As of June 30, 2015, the most recent valuation date, the actuarial accrued liability for benefits was \$4,339,164, all of which was unfunded. As of June 30, 2015, the covered payroll (annual payroll of active employees covered by the Plan) was \$1,220,522, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 355.52 percent.

The projected benefit payments for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and the plan members in the future. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees-Active plan members were assumed to retire at age 62, or at the first subsequent year in which the member would qualify for benefits.

Marital and dependency status-Marital status of members at the calculation date was assumed to continue throughout retirement. If dependents would be under twenty-six years of age at the time a plan member could retire, they were assumed to be covered.

17. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

Mortality-The RP2000 Mortality Table for Males and Females Projected 10 years was used.

Turnover-Standard Turnover Assumptions from GASB Statement 45 Paragraph 35b were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend data-The expected rate of increase in healthcare and dental insurance premiums was based on projections of the Centers for Medicare and Medicaid Services, Office of the Actuary. A rate of 5.8 percent initially, increased to an ultimate rate of 6.6 percent after five years, was used for healthcare premiums. A rate of 5.6 percent initially, increased to an ultimate rate of 6.6 percent after four years, was used for dental insurance.

Health and dental insurance premiums-2015 insurance premiums for retirees were used as the basis for calculation of the present value of total benefits to be paid.

Payroll growth rate-The expected long-term payroll growth rate was 2 percent. In establishing the rate, the City looked at the ten year average of the Consumer Price Index for All Urban Consumers (CPI-U) and considered present and potential future economic conditions.

Based on the historical and expected returns of the City's short-term investment portfolio, a discount rate of 2 percent was used. In addition, the entry age actuarial cost method was used. An age adjustment factor of 1 was used in the valuation. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period at June 30, 2015, was 27 years.

18. **RESTRICTED NET POSITION/FUND BALANCES**

The restricted net position of government wide financial statements and restricted fund balances of fund financial statements are disclosed below:

Net Position – Government Wide Financial Statements

Class "C" Road – Funds received from the State of Utah to be used to improve Class C roads in the City.

Zap Tax – Sales tax revenues to be used for capital improvements and operation and maintenance associated with parks and recreation and the arts.

Crisis Intervention – Fees charged for crisis intervention training conducted by the Police Department. Any remaining funds, should the program cease, must be returned to the state.

Tennis Court Maintenance – Funds received from the Carbon School District to assist with the maintenance of the City's tennis courts.

Dino Mine Park – Donations received to be used for the Dino Mine Park.

18. RESTRICTED NET POSITION/FUND BALANCES (Continued)

Fire Department – Grant funds received by the Fire Department for the purchase of supplies and equipment.

Culture Connection – Private contributions received for sponsorships of musical performances provided through the City's Culture Connection program.

Community Development and Renewal Agency – Incremental tax revenues received by the Agency to promote economic development and to eliminate blight within the District.

Debt Service Funds – Debt covenants require the City to maintain sinking and reserve funds for the repayment of revenue bonds.

Fund Balance – Fund Financial Statements

The same amounts that are reported as restricted net position in the Government Wide Financial Statements are shown as restricted fund balances in the Fund Financial Statements.

19. PRIOR PERIOD ADJUSTMENTS

During the prior year, the City received a private contribution for its Fire Department. The donor paid the City \$5,000 directly and also made a contribution to the Southeast Utah Community Development Center (CDC) on behalf of the Fire Department. The CDC then remitted \$4,850 to Price City on behalf of the donor; \$5,000 less a \$50 administrative fee. As the City received payment twice, it reimbursed the CDC \$4,850 in the current year which in turn refunded the money to the donor. A prior-period adjustment has been made on the government-wide Statement of Activities and the governmental funds Statement of Revenues, Expenses, and Changes in Fund Balances for the current period. The effect of the adjustment on beginning net position/fund balance of the current period is a decrease of \$4,850.

GASB 68 Restatement

The City implemented GASB No. 68, *Accounting and Financial Reporting for Pensions*, during Fiscal Year 2015. The beginning net positions on the government-wide and proprietary fund financial statements have been restated to reflect the required disclosure of a Net Pension Asset, Net Pension Liability, and Deferred Outflows and Inflows of Resources Related to Pensions. The net effects are as follows:

Governmental Activities

Net Position - Beginning	\$ 14,033,394
GASB 68 Prior Period Adjustment	(1,671,642)
Net Position - Beginning, Restated	<u>\$ 12,361,752</u>

19. **PRIOR PERIOD ADJUSTMENTS (Continued)**

Business-Type Activities

	<u>Water Fund</u>	<u>Electric Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Net Position - Beginning	\$ 12,591,544	\$ 5,309,234	\$ 1,697,911	\$ 19,598,689
GASB 68 Prior Period Adjustment	<u>(277,642)</u>	<u>(138,555)</u>	<u>(42,677)</u>	<u>(458,874)</u>
Net Position - Beginning, Restated	<u>\$ 12,313,902</u>	<u>\$ 5,170,679</u>	<u>\$ 1,655,234</u>	<u>\$ 19,139,815</u>

PRICE MUNICIPAL CORPORATION

Required Supplementary Information

- EXHIBIT 12 Statement of Revenues, Expenditures and Changes in Fund Balances –
 Budget and Actual – General Fund
 - EXHIBIT 13 Schedule of Funding Progress
 - EXHIBIT 14 Schedule of the Proportionate Share of the Net Pension Liability
 - EXHIBIT 15 Schedule of Contributions
- Notes to Required Supplementary Information

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES:				
Taxes:				
Property taxes	\$ 846,000	\$ 827,900	\$ 843,458	\$ 15,558
General sales and use tax	2,080,000	2,237,000	2,236,960	(40)
Franchise tax	386,000	378,000	370,483	(7,517)
Transient room tax	55,000	50,000	50,832	832
Municipal energy tax	9,000	277,000	276,552	(448)
Highway tax	696,000	770,000	771,943	1,943
Zap tax	232,000	257,000	257,502	502
Licenses and permits	173,200	183,475	184,697	1,222
Intergovernmental	622,973	688,710	685,277	(3,433)
Charges for services	575,800	590,925	585,941	(4,984)
Fines and forfeitures	70,000	76,500	80,363	3,863
Investment earnings	7,500	6,400	6,361	(39)
Contributions		20,575	21,075	500
Miscellaneous revenue	81,100	76,128	74,176	(1,952)
Total revenues	<u>\$ 5,834,573</u>	<u>\$ 6,439,613</u>	<u>\$ 6,445,620</u>	<u>\$ 6,007</u>
EXPENDITURES:				
Current:				
General government:				
Legislative	\$ 152,925	\$ 152,925	\$ 145,415	\$ 7,510
Attorney	156,600	151,600	145,629	5,971
Recorder	71,225	69,550	66,439	3,111
Safety committee	11,650	8,200	6,040	2,160
Treasurer	158,075	158,075	154,488	3,587
Finance	230,325	227,825	225,115	2,710
Human resources	472,725	468,975	451,143	17,832
Planning	8,450	9,875	9,419	456
Building maintenance	285,425	283,925	253,484	30,441
Non-departmental	106,100	122,055	104,778	17,277
Total general government	<u>\$ 1,653,500</u>	<u>\$ 1,653,005</u>	<u>\$ 1,561,950</u>	<u>\$ 91,055</u>
Public safety:				
Inspection	\$ 100,425	\$ 89,770	\$ 88,567	\$ 1,203
Police	1,776,880	1,861,269	1,841,795	19,474
Fire	437,900	459,990	443,389	16,601
Victim advocate	48,573	49,146	46,257	2,889
Special functions	102,400	101,400	95,750	5,650
Alcohol law enforcement	87,865	85,865	84,537	1,328
Total public safety	<u>\$ 2,554,043</u>	<u>\$ 2,647,440</u>	<u>\$ 2,600,295</u>	<u>\$ 47,145</u>

The notes to the financial statements are an integral part of this statement.

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>WITH</u>
				<u>FINAL BUDGET</u>
				<u>FAVORABLE</u>
				<u>(UNFAVORABLE)</u>
Highways and public improvements:				
Highways - general	\$ 899,905	\$ 892,950	\$ 829,872	\$ 63,078
Class "C" road	269,200	259,899	270,795	(10,896)
Shop	160,835	156,185	151,900	4,285
Engineering	116,925	120,525	118,896	1,629
Public works administration	313,725	312,925	309,204	3,721
Sanitation	381,500	382,300	381,211	1,089
Total highways and public improvements	\$ 2,142,090	\$ 2,124,784	\$ 2,061,878	\$ 62,906
Parks, recreation, and public property:				
Parks and cemetery	\$ 730,375	\$ 749,951	\$ 706,941	\$ 43,010
Library	398,300	441,522	428,811	12,711
Total parks, recreation and public property	\$ 1,128,675	\$ 1,191,473	\$ 1,135,752	\$ 55,721
Economic development:				
Community and economic development	\$ 279,475	\$ 302,125	\$ 288,593	\$ 13,532
Total economic development	\$ 279,475	\$ 302,125	\$ 288,593	\$ 13,532
Intergovernmental expenditures:				
Contributions to other governmental units	\$ 18,000	\$ 18,000	\$ 16,000	\$ 2,000
Total intergovernmental expenditures	\$ 18,000	\$ 18,000	\$ 16,000	\$ 2,000
Debt service:				
Principal retirement	\$ 8,320			
Total debt service	\$ 8,320	\$...	\$...	\$...
Total expenditures	\$ 7,784,103	\$ 7,936,827	\$ 7,664,468	\$ 272,359
Excess of revenue over (under) expenditures	\$ (1,949,530)	\$ (1,497,214)	\$ (1,218,848)	\$ 278,366

The notes to the financial statements are an integral part of this statement.

PRICE MUNICIPAL CORPORATION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>AMOUNTS</u>	<u>WITH</u>
				<u>FINAL BUDGET</u>
				<u>FAVORABLE</u>
				<u>(UNFAVORABLE)</u>
OTHER FINANCING SOURCES (USES):				
Capital lease financing	\$ 40,000			
Gain on disposition of capital assets		\$ 28,000	\$ 29,614	\$ 1,614
Transfers in	2,582,831	2,452,831	2,452,831	
Transfers out	(704,711)	(721,008)	(721,008)	
Total other financing sources (uses)	<u>\$ 1,918,120</u>	<u>\$ 1,759,823</u>	<u>\$ 1,761,437</u>	<u>\$ 1,614</u>
Excess of revenues and other sources over (under) expenditures and other uses	\$ (31,410)	\$ 262,609	\$ 542,589	\$ 279,980
Fund balances - beginning of year	1,077,670	788,609	1,372,328	583,719
Prior period adjustment			(4,850)	(4,850)
Fund balances - end of year	<u>\$ 1,046,260</u>	<u>\$ 1,051,218</u>	<u>\$ 1,910,067</u>	<u>\$ 858,849</u>

The notes to the financial statements are an integral part of this statement.

PRICE MUNICIPAL CORPORATION
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b -a) / c)
06/30/13	\$0	\$4,504,260	\$4,504,260	0.00%	\$1,221,201	368.84%
06/30/14	\$0	\$4,504,260	\$4,504,260	0.00%	\$1,228,677	366.59%
06/30/15	\$0	\$4,339,164	\$4,339,164	0.00%	\$1,220,522	355.52%

"The notes to the financial statements are an integral part of this statement."

PRICE MUNICIPAL CORPORATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS*
AS OF DECEMBER 31, 2014

	2014				
	Noncontributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighters System
Proportion of the net pension liability (asset)	0.2923245%	0.5583151%	0.2649223%	0.0424062%	0.0678675%
Proportionate share of the net liability (asset)	\$1,269,342	\$702,128	(\$15,117)	(\$1,285)	(\$1,004)
Covered employee payroll	\$2,508,292	\$777,132	\$69,616	\$207,925	\$28,120
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	50.6%	90.3%	-21.7%	-0.6%	-3.6%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	90.5%	103.5%	103.5%	120.5%

* In accordance with paragraph 81.a GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI. The 10-year schedule will need to be built prospectively. The schedule above is only for the current year as this is the first year of GASB 68 implementation.

"The accompanying notes are an integral part of these financial statements."

**PRICE MUNICIPAL CORPORATION
SCHEDULE OF CONTRIBUTIONS
AS OF DECEMBER 31, 2014**

	Noncontributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
Contractually required contribution	\$ 459,452	\$ 275,001	\$ 2,362	\$ 17,496	\$ 3,058
Contributions in relation to the contractually required contribution	(459,452)	(275,001)	(2,362)	(17,496)	(3,058)
Contribution deficiency (excess)	\$...	\$...	\$...	\$...	\$...
Covered employee payroll	\$ 2,508,292	\$ 777,132	\$ 69,616	\$ 207,925	\$ 28,120
Contributions as a percentage of covered-employee payroll**	18.32%	35.39%	3.39%	8.41%	10.87%

* Amounts presented were determined as of calendar year January 1 - December 31. Employers will be required to prospectively develop this table in future years to show 10-years of information. The schedule above is only for the current year. Prior year numbers are available from your prior year note disclosure confirmation.

** Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

"The accompanying notes are an integral part of these financial statements."

PRICE MUNICIPAL CORPORATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2014

Other Information Not Required as Part of RSI

The information below is not required as part of GASB 68 but is provided for informational purposes. The schedule below is a summary of the Defined Contribution Savings Plans for pay periods January 1 - December 31.

Defined Contribution System

	Employee Paid Contributions	Employer Paid Contributions
401(k) Plan*	\$ 129,175	\$ 25,691
457 Plan	73,174	7,738
Roth IRA Plan	18,631	
Traditional IRA Plan		
HRA Plan		

* The employer paid 401(k) contributions include the totals paid for employees enrolled in the Tier 2 Defined Contribution 401(k) Plan.

PRICE MUNICIPAL CORPORATION
Supplementary Information

**PRICE MUNICIPAL CORPORATION
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUND	DEBT SERVICE FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	DRUG TASK FORCE	COMMUNITY DEVELOPMENT AND RENEWAL AGENCY	CAPITAL IMPROVEMENTS	DEBT SERVICE	
<u>ASSETS</u>					
Cash and cash equivalents		\$ 324,200	\$ 596,578	\$ 85,722	\$ 1,006,500
Investments - restricted	\$ 17,475			8,522	25,997
Due from other governments	15,541		8,311		23,852
Accounts receivable - miscellaneous	500				500
Total assets	<u>\$ 33,516</u>	<u>\$ 324,200</u>	<u>\$ 604,889</u>	<u>\$ 94,244</u>	<u>\$ 1,056,849</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Cash deficit	\$ 6,037				\$ 6,037
Accounts payable	1,030		\$ 3,726		4,756
Accrued liabilities	168				168
Total liabilities	<u>\$ 7,235</u>	<u>\$...</u>	<u>\$ 3,726</u>	<u>\$...</u>	<u>\$ 10,961</u>
Fund balances:					
Restricted		\$ 324,200		\$ 94,244	\$ 418,444
Assigned	\$ 26,281		\$ 601,163		627,444
Total fund balances	<u>\$ 26,281</u>	<u>\$ 324,200</u>	<u>\$ 601,163</u>	<u>\$ 94,244</u>	<u>\$ 1,045,888</u>
Total liabilities and fund balance	<u>\$ 33,516</u>	<u>\$ 324,200</u>	<u>\$ 604,889</u>	<u>\$ 94,244</u>	<u>\$ 1,056,849</u>

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	DRUG TASK FORCE	COMMUNITY DEVELOPMENT AND RENEWAL AGENCY	CAPITAL IMPROVEMENTS	DEBT SERVICE	
REVENUES:					
Intergovernmental revenue	\$ 68,055		\$ 275,162		\$ 343,217
Fines and forfeitures	1,200				1,200
Investment earnings	113		3,173	\$ 524	3,810
Total revenues	\$ 69,368	\$...	\$ 278,335	\$ 524	\$ 348,227
EXPENDITURES:					
Public safety	\$ 148,394				\$ 148,394
Highways and public improvements		\$ 43,791			43,791
Capital outlay			\$ 467,239		467,239
Debt service				\$ 98,000	98,000
Total expenditures	\$ 148,394	\$ 43,791	\$ 467,239	\$ 98,000	\$ 757,424
Excess of revenues over (under) expenditures	\$ (79,026)	\$ (43,791)	\$ (188,904)	\$ (97,476)	\$ (409,197)
Other financing sources (uses):					
Transfers in (out)	\$ 78,325	\$ (181,481)	\$ 143,364	\$ 108,000	\$ 148,208
Total other financing sources (uses)	\$ 78,325	\$ (181,481)	\$ 143,364	\$ 108,000	\$ 148,208
Excess of revenues and other sources over (under) expenditures and other uses	\$ (701)	\$ (225,272)	\$ (45,540)	\$ 10,524	\$ (260,989)
Fund Balances - Beginning of year	26,982	549,472	646,703	83,720	1,306,877
Fund Balances - End of year	\$ 26,281	\$ 324,200	\$ 601,163	\$ 94,244	\$ 1,045,888

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF NET POSITION -
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2015

		NON-MAJOR BTA'S - ENTERPRISE FUNDS			
		POOL FUND	PRICE CITY ECONOMIC VITALITY	DRIVING SCHOOL FUND	TOTAL NONMAJOR BTA'S
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents		\$ 266,699	\$ 115,761	\$ 7,682	\$ 181,781
Receivables -					
Utilities					10,292
Miscellaneous			795		795
Total current assets		<u>\$ 266,699</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 192,073</u>
Noncurrent assets:					
Net pension asset		\$ 349			\$ 349
Buildings		2,893,420			2,893,420
Improvements other than buildings		150,374			150,374
Equipment		251,488			251,488
Work in progress		5,301			5,301
Less: Accumulated depreciation		(2,167,744)			(2,167,744)
Total noncurrent assets, net		<u>\$ 1,133,188</u>	<u>\$...</u>	<u>\$...</u>	<u>\$ 1,133,188</u>
Total assets		<u>\$ 1,399,887</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 1,716,198</u>
Deferred outflows of resources:					
Pensions		<u>8,646</u>			<u>8,646</u>
Total assets and deferred outflows of resources		<u>\$ 1,408,533</u>	<u>\$ 116,556</u>	<u>\$ 7,682</u>	<u>\$ 1,724,844</u>

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF NET POSITION -
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2015

	NON-MAJOR BTA'S - ENTERPRISE FUNDS				
	POOL FUND	PRICE CITY ECONOMIC VITALITY	DRIVING SCHOOL FUND	STORM WATER FUND	TOTAL NONMAJOR BTA'S
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$ 23,210			\$ 8,735	\$ 31,945
Accrued liabilities	1,109				1,109
Sales tax payable	3,538				3,538
Total current liabilities	\$ 27,857	\$...	\$...	\$ 8,735	\$ 36,592
Noncurrent liabilities:					
Compensated absences	\$ 10,648				\$ 10,648
Net pension liability	39,491				39,491
Total noncurrent liabilities	\$ 50,139	\$...	\$...	\$...	\$ 50,139
Total liabilities	\$ 77,996	\$...	\$...	\$ 8,735	\$ 86,731
Deferred inflows of resources:					
Pensions	\$ 6,805	\$...	\$...	\$...	\$ 6,805
Net Position:					
Invested in capital assets, net of related debt	\$ 1,132,839				\$ 1,132,839
Unrestricted	190,893	\$ 116,556	\$ 7,682	\$ 183,338	498,469
Total net position	\$ 1,323,732	\$ 116,556	\$ 7,682	\$ 183,338	\$ 1,631,308
Total liabilities, deferred inflows of resources and net position	\$ 1,408,533	\$ 116,556	\$ 7,682	\$ 192,073	\$ 1,724,844

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND NET POSITION -
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	NON-MAJOR BTAS - ENTERPRISE FUNDS				
	POOL FUND	PRICE CITY ECONOMIC VITALITY	DRIVING SCHOOL FUND	STORM WATER FUND	TOTAL NONMAJOR BTAS
Operating revenues:					
Charges for sales and services	\$ 169,364	\$ 30	\$ 80	\$ 81,271	\$ 250,745
Total operating revenues	\$ 169,364	\$ 30	\$ 80	\$ 81,271	\$ 250,745
Operating expenses:					
Employee salaries	\$ 248,380				\$ 248,380
Employee benefits	56,712				56,712
Contractual services	7,781	\$ 360			8,141
Supplies	81,893			\$ 2,324	84,217
Materials				14,624	14,624
Utilities	123,462				123,462
Fuel and oil	101				101
Repairs and maintenance	60,275				60,275
Depreciation	114,712				114,712
Bad debts		3,610			3,610
Miscellaneous	18,502				18,502
Advertising	3,969				3,969
Rental	1,172				1,172
Total operating expenses	\$ 716,959	\$ 3,970	\$...	\$ 16,948	\$ 737,877
OPERATING INCOME (LOSS)	\$ (547,595)	\$ (3,940)	\$ 80	\$ 64,323	\$ (487,132)
Nonoperating revenues (expenses):					
Interest revenue		\$ 30			\$ 30
Benefit expense	\$ 15,563				15,563
Pension expense	(10,367)				(10,367)
Nonemployer contributions	180				180
Total nonoperating revenues (expenses)	\$ 5,376	\$ 30	\$...	\$...	\$ 5,406
Income (loss) before transfers and capital contributions	\$ (542,219)	\$ (3,910)	\$ 80	\$ 64,323	\$ (481,726)
Transfers In (Out) and Capital Contributions:					
Transfers in (out)	\$ 457,800				\$ 457,800
Total transfers in (out) and capital contributions	\$ 457,800	\$...	\$...	\$...	\$ 457,800
Change in net position	\$ (84,419)	\$ (3,910)	\$ 80	\$ 64,323	\$ (23,926)
Total net position - beginning of year	1,408,151	120,466	7,602	119,015	1,655,234
Total net position - end of year	\$ 1,323,732	\$ 116,556	\$ 7,682	\$ 183,338	\$ 1,631,308

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	NON-MAJOR BTA'S - ENTERPRISE FUNDS				
	POOL FUND	PRICE CITY ECONOMIC VITALITY FUND	DRIVING SCHOOL FUND	STORM WATER FUND	TOTAL NONMAJOR BTA'S
Cash Flows From Operating Activities:					
Cash receipts from customers	\$ 170,024	\$ 30	\$ 80	\$ 75,863	\$ 245,997
Cash payments to suppliers	(282,167)	(3,970)		(8,213)	(294,350)
Cash payments to employees	(324,456)				(324,456)
Net cash provided (used) by operating activities	\$ (436,599)	\$ (3,940)	\$ 80	\$ 67,650	\$ (372,809)
Cash Flows From Noncapital Financing Activities:					
Loan proceeds received		\$ 3,800			\$ 3,800
Transfers in from other funds	\$ 457,800				457,800
Net cash provided (used) by noncapital financing activities	\$ 457,800	\$ 3,800	\$...	\$...	\$ 461,600
Cash Flows From Capital and Related Financing Activities:					
Acquisition of capital assets	\$ (25,920)				\$ (25,920)
Net cash provided (used) by capital and related financing activities	\$ (25,920)	\$...	\$...	\$...	\$ (25,920)
Cash Flows From Investing Activities:					
Interest and dividends received		\$ 30			\$ 30
Net cash provided (used) by investing activities	\$...	\$ 30	\$...	\$...	\$ 30
Net increase (decrease) in cash and cash equivalents	\$ (4,719)	\$ (110)	\$ 80	\$ 67,650	\$ 62,901
Cash and cash equivalents, July 1	271,418	115,871	7,602	114,131	509,022
Cash and cash equivalents, June 30	\$ 266,699	\$ 115,761	\$ 7,682	\$ 181,781	\$ 571,923

PRICE MUNICIPAL CORPORATION
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	NON-MAJOR BTAS - ENTERPRISE FUNDS				
	POOL FUND	PRICE CITY ECONOMIC VITALITY FUND	DRIVING SCHOOL FUND	STORM WATER FUND	TOTAL NONMAJOR BTAS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (547,595)	\$ (3,940)	\$ 80	\$ 64,323	\$ (487,132)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	\$ 114,712				\$ 114,712
(Increase) Decrease in utility receivables				\$ (5,408)	(5,408)
(Increase) Decrease in miscellaneous receivables	660				660
Increase (Decrease) in accounts payable	14,780			8,735	23,515
Increase (Decrease) in compensated absences	(4,219)				(4,219)
Increase (Decrease) in sales tax payable	208				208
Increase (Decrease) in accrued liabilities	(15,145)				(15,145)
Total adjustments	\$ 110,996	\$...	\$...	\$ 3,327	\$ 114,323
Net cash provided (used) by operating activities	<u>\$ (436,599)</u>	<u>\$ (3,940)</u>	<u>\$ 80</u>	<u>\$ 67,650</u>	<u>\$ (372,809)</u>

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MEMBERS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Honorable Mayor and Members of the City Council
Price Municipal Corporation
Price, Utah 84501

RE: Independent Auditor's Report on Compliance
and on Internal Controls Over Compliance in
Accordance with the State of Utah Legal
Compliance Audit Guide

Report On Compliance with General State Compliance Requirements and for Each Major State Program

We have audited Price Municipal Corporation's compliance with the applicable general state and major state program compliance requirements described in the State Compliance Audit Guide issued by the Office of the Utah State Auditor, that could have a direct and material effect on the City or each of its major state programs for the year ended June 30, 2015.

General state compliance requirements were tested for the year ended June 30, 2015 in the following areas:

Conflict of Interest

Nepotism

Budgetary Compliance

Transfers from Utility Enterprise Fund

Fund Balance

Open and Public Meetings Act

URS Compliance

The City received state funding from the following program classified as major programs for the year ended June 30, 2015.

Utah Department of Workforce Services - CIB Loan and Grant funds

Management's Responsibility

Management is responsible for compliance with the general state requirements referred to above and the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the City or its major state programs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the general state compliance requirements and for each major state program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on General State Compliance Requirements and Each Major State Program

In our opinion, Price Municipal Corporation, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the City or on each of its major state programs for the year ended June 30, 2015.

Report On Internal Control Over Compliance

Management of Price Municipal Corporation is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the compliance requirements that could have a direct and material effect on the City or on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and for each major state program and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a general state or major state program compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a general state or major state program compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a general state or major state program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

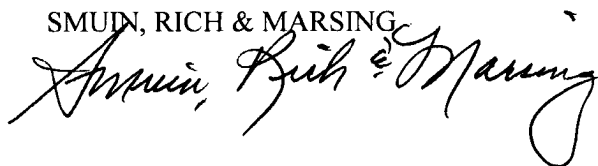
Purpose of Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Awards as Required by the *State Compliance Audit Guide*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 21, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state awards is presented for purposes of additional analysis as required by the *State Compliance Audit Guide* and is not a required part of the basic financial statements. Such information is the responsibility of management and derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state awards is fairly stated in all material respects in relation to the financial statements as a whole.

SMUD, RICH & MARSING

A handwritten signature in black ink, appearing to read "Armin, Rich & Marsing", written in a cursive style.

Price, Utah

December 21, 2015

STATE OF UTAH
SCHEDULE OF EXPENDITURES OF STATE GRANTS,
CONTRACTS, AND LOAN FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

GRANT/LOAN NAME	AWARD/CONTRACT # (IF APPLICABLE)	YEAR OF LAST AUDIT	EXPENDITURES
Commission on Criminal & Juvenile Justice			
State Task Force Grant	15F12		\$ 60,204
State Asset Forfeiture Grant (SAFG)	15N36		2,500
State Asset Forfeiture Grant (SAFG)	15N69		2,500
Subtotal - Commission on Criminal & Juvenile Justice			\$ 65,204
Permanent Community Impact Fund (CIB)			
Street Improvements Grant Funds-ADA Ramps	130433	2014	\$ 33,849
1900 East-Water, Sewer, & Road Improvements Grant	150149		251,594 *
Subtotal - Permanent Community Impact Fund (CIB)			\$ 285,443
Utah Substance Abuse Advisory Council			
Beer Tax Funds			\$ 18,762
Subtotal - Utah Substance Abuse Advisory Council			\$ 18,762
Utah Department of Transportation			
Class C Road Funds		2013	\$ 309,946
Concrete Replacement			32,833
Subtotal - Utah Department of Transportation			\$ 342,779
Department of Public Safety-Highway Safety Office			
DUI Overtime Funds			\$ 8,545
Seatbelt Overtime Funds			1,768
Subtotal - Department of Public Safety-Highway Safety Office			\$ 10,313
Department of Natural Resources-Division of Forestry, Fire and State Lands			
U.S. Forest Service-Volunteer Fire Assistance Funds			\$ 6,206
U.S. Forest Service-Volunteer Fire Assistance Funds			1,094
Community Forestry Partnership Grant Funds			7,969
Subtotal - Department of Natural Resources-Division of Forestry, Fire and State Lands			\$ 15,269
Department of Heritage and Arts, Utah State Library Division			
Community Library Enhancement Funds (CLEF)	USL15-0151		\$ 7,022
Subtotal - Department of Heritage and Arts, Utah State Library Division			\$ 7,022
Utah Department of Health			
AED Grant Funds	1434316		\$ 2,249
Subtotal - Utah Department of Health			\$ 2,249
Department of Heritage and Arts, Utah Division of State History			
Certified Local Government (CLG) Funds	151045		\$ 10,000
Subtotal - Department of Heritage and Arts, Utah Division of State History			\$ 10,000
TOTAL GRANT, CONTRACT, AND LOAN FUND EXPENDITURES			\$ 757,041

* Major Program

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AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Honorable Mayor and Members of the City Council
Price Municipal Corporation
Price, Utah 84501

RE: Report on Compliance and other matters and
on Internal Control Over Financial Reporting Based
on an Audit of Financial Statements
Performed in Accordance With Govern-
ment Auditing Standards

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Price Municipal Corporation as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 21, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies, in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

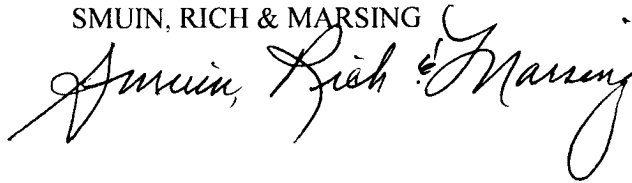
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SMUIN, RICH & MARSING

A handwritten signature in black ink, appearing to read "Smuin, Rich & Marsing", written in a cursive style.

Price, Utah

December 21, 2015

PUBLIC HEARING

THE PRICE CITY PLANNING AND ZONING COMMISSION WILL HOLD A PUBLIC HEARING TO RECEIVE INPUT ON THE POTENTIAL SURPLUS AND TRANSFER OF REAL PROPERTY, COMMONLY REFERRED TO AS THE 'GIRLS SOFTBALL FIELD', LOCATED AT APPROXIMATELY 650 N CEDAR HILLS DRIVE, FROM PRICE CITY TO THE CARBON COUNTY SCHOOL DISTRICT. THE PUBLIC HEARING WILL BE HELD AT 6:00PM ON MONDAY, JANUARY 25, 2015 AND HELD IN THE PRICE CITY COUNCIL CHAMBERS LOCATED AT 185 E MAIN STREET. COMMENTS MAY BE MADE IN ADVANCE BY CONTACTING NICK TATTON AT 636-3184. ALL COMMENTS WILL BE PROVIDED TO THE PLANNING COMMISSION.

THE PRICE CITY COUNCIL WILL HOLD A PUBLIC HEARING TO RECEIVE INPUT ON THE POTENTIAL SURPLUS AND TRANSFER OF REAL PROPERTY, COMMONLY REFERRED TO AS THE 'GIRLS SOFTBALL FIELD', LOCATED AT APPROXIMATELY 650 N CEDAR HILLS DRIVE, FROM PRICE CITY TO THE CARBON COUNTY SCHOOL DISTRICT. THE PUBLIC HEARING WILL BE HELD AT 6:00PM ON WEDNESDAY, JANUARY 27, 2015 AND HELD IN THE PRICE CITY COUNCIL CHAMBERS LOCATED AT 185 E MAIN STREET. COMMENTS MAY BE MADE IN ADVANCE BY CONTACTING NICK TATTON AT 636-3184. ALL COMMENTS WILL BE PROVIDED TO THE PLANNING COMMISSION.

PUBLISHED IN THE SUN ADVOCATE JANUARY 14, 19, 2016

QUIT-CLAIM DEED

PRICE CITY, a Municipal Corporation, of the State of Utah, 185 East Main Street, Price, Utah 84501, hereafter Grantor, hereby QUIT-CLAIMS to **CARBON COUNTY SCHOOL DISTRICT**, of 251 West 400 North, Price, Utah 84501, hereafter Grantee, for the sum of \$10.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the following described tract of land located in Price City, Carbon County, Utah.

Parcel must remain in public ownership and the land use perpetually remain education (school) or recreation (athletic field or park) or ownership of said parcel shall immediately revert back to Price City.

BEGINNING AT A POINT LOCATED S00°31'29"E ALONG THE 40 ACRE LINE, 730.28 FEET AND S89°12'50"W ALONG THE SOUTH LINE OF TAX PARCEL 1-1811, 66.72 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T,14 S., R,10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED AT THE CENTER LINE OF MEADS WASH; THENCE ALONG THE SOUTH LINE OF SAID TAX PARCEL 1-1811 THE FOLLOWING COURSES: S89°12'50"W 230.10 FEET, N54°23'49"W 12.05 FEET, N57°27'11"W 24.03 FEET, N68°36'21"W 14.73 FEET AND N89°35'34"W 142.46 FEET; THENCE N27°33'38"E 262.83 FEET; THENCE N62°26'22"W 155.00 FEET; THENCE N27°33'38"E 211.03 FEET TO THE EXISTING BACK OF CURB; THENCE S62°52'55"E ALONG THE EXISTING BACK OF CURB, 266.37 FEET; THENCE S42°31'10"E 63.28 FEET TO THE CENTER LINE OF MEADS WASH; THENCE S08°56'46"E ALONG THE CENTER LINE OF MEADS WASH, 351.19 FEET TO THE POINT OF BEGINNING.
CONTAINING 3.390 ACRES.

WITNESS the hand of said Grantor this _____ day of _____, 20____.

Price City, A Municipal Corporation

Joe L. Piccolo, Mayor

ATTEST:

Sherrie Gordon, City Recorder

STATE OF Utah)


: SS

COUNTY OF Carbon)

On the _____ day of _____, 20____, personally appeared before me, Joe L. Piccolo, Mayor of Price City and Sherrie Gordon, City Recorder of Price City, the signers of the above instrument, who duly acknowledged to me that they executed the same on behalf of Price City by the authority of the Price City Council pursuant to a resolution thereof on January 27th, 2016.

Notary Public

Mayor
JOE L PICCOLO
City Attorney
NICK SAMPINOS
Community Director
NICK TATTON
City Recorder
SHERRIE GORDON
Finance Director
LISA RICHENS



185 EAST MAIN • P.O. BOX 893 • PRICE, UT 84501
PHONE (435) 637-5010 • FAX (435) 637-2905
www.pricecityutah.com

City Council
KATHY HANNA-SMITH
RICK DAVIS
WAYNE CLAUSING
LAYNE MILLER
TERRY WILLIS

Price City

UTAH'S CASTLE COUNTRY!!

**PRICE CITY
CITY COUNCIL MEETING
AGENDA DOCUMENTATION**

Preparation Date: 1-4-16	Submitting Department: Community Development
Meeting Date: 1-27-16	Department Director: Nick Tatton
	Presenter: Nick Tatton
Regarding: Sale of Real Property	

Subject:	Transfer of Real Property from Price City to Carbon County School District.
Purpose Statement:	Transfer of real property owned by Price City requires specific and affirmative action by the Price City Council.
Background &/or Alternatives:	<p>Please find attached a plat map indicating the area around the girls softball field. The location is approximately 650 N Cedar Hills Drive, adjacent to the High School Baseball Field and Price City Terrace Hills Park. The property is currently owned by Price City and the ball field is the responsibility (maintenance) of the Carbon County School District (CCSD). Approximately 12 years ago Price City partnered with the CCSD to locate and build the field: Price City provided the property and some project management and the CCSD funded the project and agreed to provide some elements of field maintenance.</p> <p>To accommodate upgrades to the area in general currently under consideration and moving forward by the CCSD it is necessary to transfer the ownership of the property to the CCDS from Price City. The process to complete that transaction, as identified in the Price City Real Property Management Policy, is as follows: (1) planning and zoning review and public hearing (and potential approval recommendation to the Price City Council); (2) Price City Council review and consideration and public hearing; (3) actual transfer of the property. In this case, upon potential approval, the property would transfer via a quit claim deed with Price City retaining all necessary utility and access easements. The transfer is contemplated to take place at zero dollars as the CCSD is a local governmental entity and funded the project initially. No property tax impacts will be realized or forgone.</p> <p>The overall project should be discussed in a sufficient level of detail with CCSD representatives at the meeting to ensure full Planning Commission understanding of the need for the transfer and the improvement project taking place.</p> <p>Inasmuch as this is a transfer of real property, with a deed restriction, between cooperating local governmental entities and no sale amount is</p>

	requested no bids for the property have been solicited.
Attachments:	<ol style="list-style-type: none"> 1. Copy of proposed resolution to authorize transfer of Property. 2. Copy of softball field plat proposed. 3. Copy of proposed quit claim deed to transfer property.
Fiscal Impact:	None. Perhaps some minor reductions in maintenance of the property by Price City crews.
Staff Impact:	None beyond existing duties.
Legal Review:	Mr. Sampinos has reviewed the policy, the procedure, the documents and the transaction contemplated and has approved.
Recommendation:	It is the recommendation of staff that the transfer of the real property be approved and staff be directed to administer and close the transaction and related matters necessary to complete the transfer.
Suggested Motion(s):	<ol style="list-style-type: none"> 1. Finding that the real property sale process was followed, approve the transfer of approximately 3.39 acres of real property in the vicinity of 650 N Cedar Hills Drive, known commonly as the 'Girls Softball Field', adjacent to the High School baseball field and Price City Terrace Hills Park, currently owned by Price City to the Carbon County School District. 2. Move that Price City to retain all necessary utility and access easements necessary to conduct Price City services and businesses in perpetuity. 3. Move that the real property not to be used for any purpose other than education (school) or recreation (athletic field, park) and real property not to be sold or otherwise transferred to the private sector. 4. Move that the property to revert back to Price City ownership should any land use other than education (school) or recreation (athletic field or park) be placed on the property. 5. Move to authorize staff to complete the necessary work and transaction and related matters necessary to finalize the property transfer as approved. 6. Move to authorize the Mayor and City Recorder to sign the necessary documents to complete the transfer.
Other Comments:	Final transaction document copies to be provided to City staff and officials upon completion.

RESOLUTION NO. 2016-____

A RESOLUTION OF THE PRICE CITY COUNCIL AUTHORIZING TRANSFER OF THE REAL PROPERTY COMMONLY KNOWN AS THE 'GIRLS SOFTBALL FIELD' LOCATED AT APPROXIMATELY 650 N CEDAR HILLS DRIVE, ADJACENT TO THE CARBON HIGH SCHOOL BASEBALL FIELD AND PRICE CITY TERRACE HILLS PARK CURRENTLY OWNED BY PRICE CITY TO THE CARBON COUNTY SCHOOL DISTRICT

WHEREAS, the Price City Planning & Zoning Commission has held a public hearing, considered, reviewed and recommended that the Price City Council find good cause to transfer the real property commonly known as the 'Girls Softball Field' located at approximately 650 N Cedar Hills Drive, adjacent to the Carbon High School Baseball Field and Price City Terrace Hills Park, from Price City to the Carbon County School District; and

WHEREAS, the Price City Council has also determined that it is in the best interest of Price City to retain all necessary utility and access easements in perpetuity as they relate to the said parcel; and

WHEREAS, the transfer of the said parcel will not be detrimental to the public interest or operation of Price Municipal Corporation, and;

WHEREAS, the Price City Council has held a public hearing to receive input on this matter,

NOW, THEREFORE, be it hereby resolved by the Price City Council as follows:

SECTION 1. That the said parcel consisting of Price City property, as identified in the map and legal description attached hereto as Exhibit A, and which by this reference is made a part hereof, is authorized to be transferred to the Carbon County School District by the Price City Council.

SECTION 2. That it is recommended that Price City shall cause to be prepared and delivered a sufficient Quit-Claim Deed, as may be necessary, to relinquish Price City's right, title and interest in the transferred parcel to the Carbon County School District.

SECTION 3. That the parcel identified must remain in public ownership and the land use perpetually remain education (school) or recreation (athletic field or park) or ownership of said parcel shall immediately revert back to Price City.

SECTION 4. That all easements for utility and access necessary to conduct the business of Price Municipal Corporation be retained and recorded as such to the benefit of Price Municipal Corporation.

PASSED AND ADOPTED by the Price City Council this _____ day of _____, 20____.

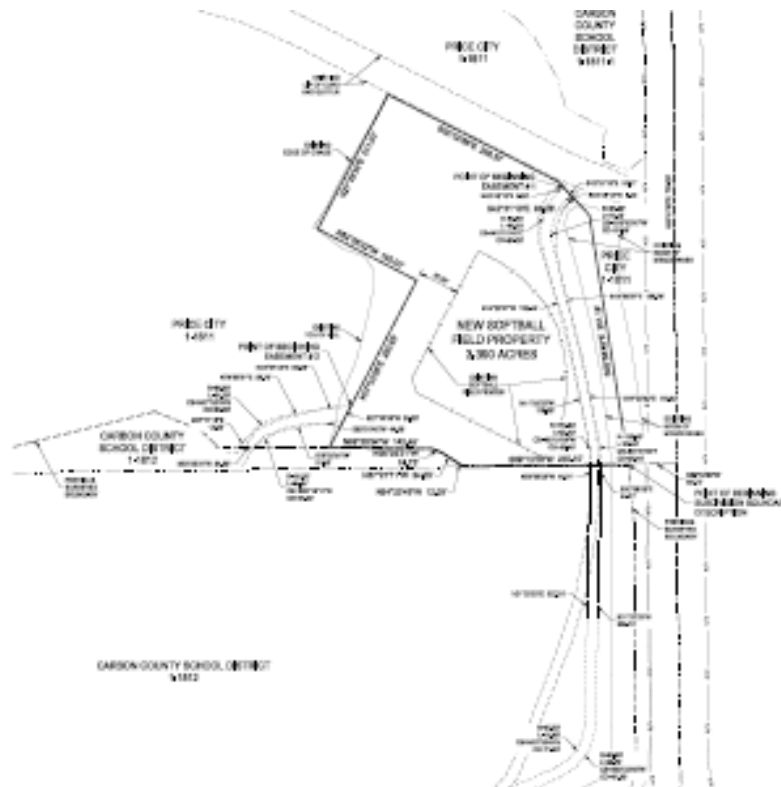
By _____
Joe L. Piccolo, Mayor

ATTEST:

Sherrie Gordon, City Recorder

EXHIBIT "A"

MAP AND LEGAL DESCRIPTION OF PARCEL TO BE TRANSFERRED



BEGINNING AT A POINT LOCATED S00°31'29"E ALONG THE 40 ACRE LINE, 730.28 FEET AND S89°12'50"W ALONG THE SOUTH LINE OF TAX PARCEL 1-1811, 66.72 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED AT THE CENTER LINE OF MEADS WASH; THENCE ALONG THE SOUTH LINE OF SAID TAX PARCEL 1-1811 THE FOLLOWING COURSES: S89°12'50"W 230.10 FEET, N54°23'49"W 12.05 FEET, N57°27'11"W 24.03 FEET, N68°36'21"W 14.73 FEET AND N89°35'34"W 142.46 FEET; THENCE N27°33'38"E 262.83 FEET; THENCE N62°26'22"W 155.00 FEET; THENCE N27°33'38"E 211.03 FEET TO THE EXISTING BACK OF CURB; THENCE S62°52'55"E ALONG THE EXISTING BACK OF CURB, 266.37 FEET; THENCE S42°31'10"E 63.28 FEET TO THE CENTER LINE OF MEADS WASH; THENCE S08°56'46"E ALONG THE CENTER LINE OF MEADS WASH, 351.19 FEET TO THE POINT OF BEGINNING. CONTAINING 3.390 ACRES.

Carbon County School District Softball Subdivision

Located in the Section 15, T.14 S., R.10 E., S.L.B. & M.

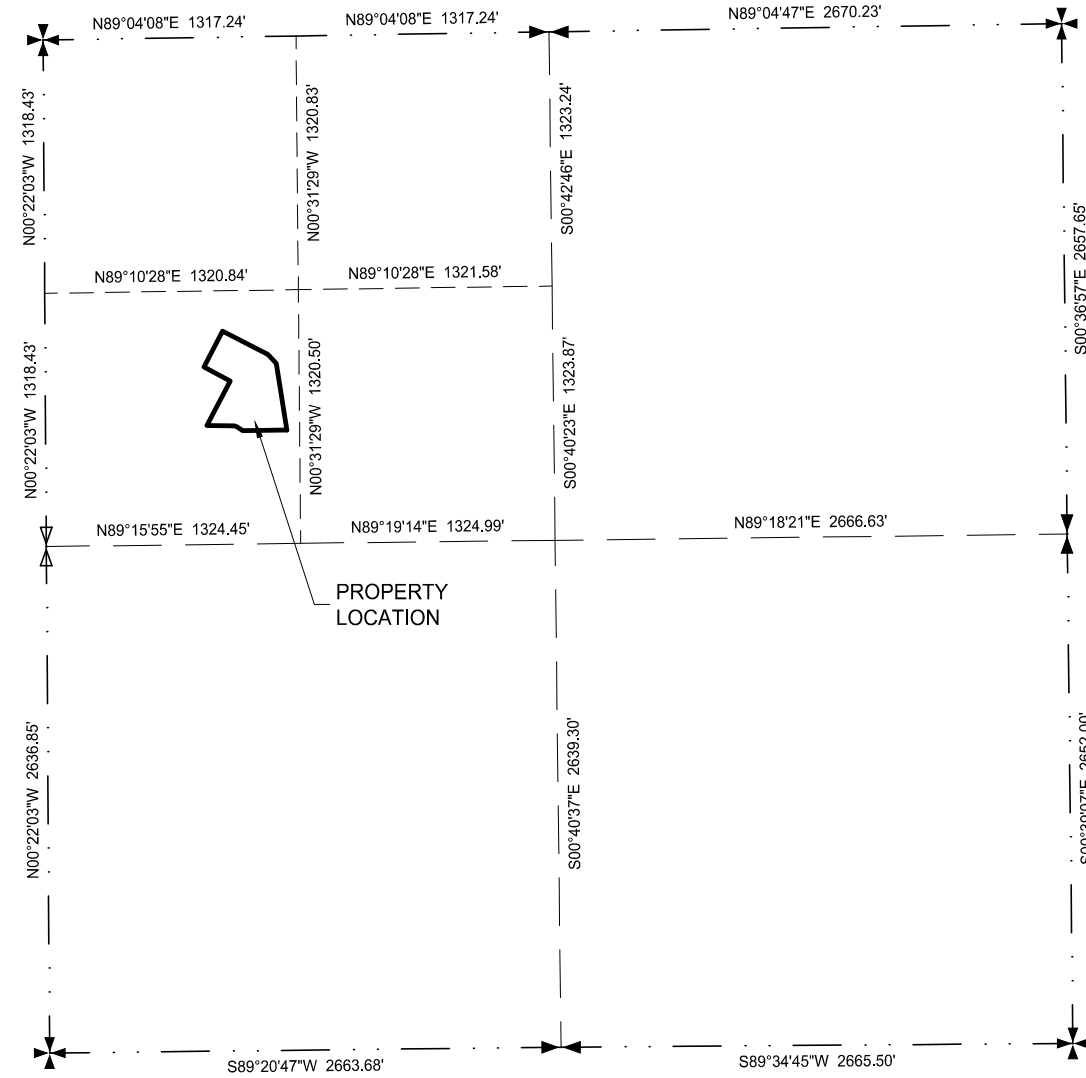
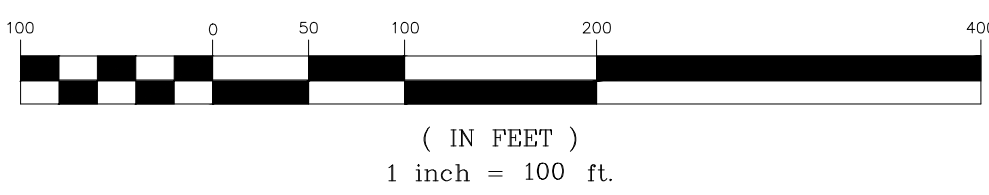
Price City, Carbon County, Utah

2015

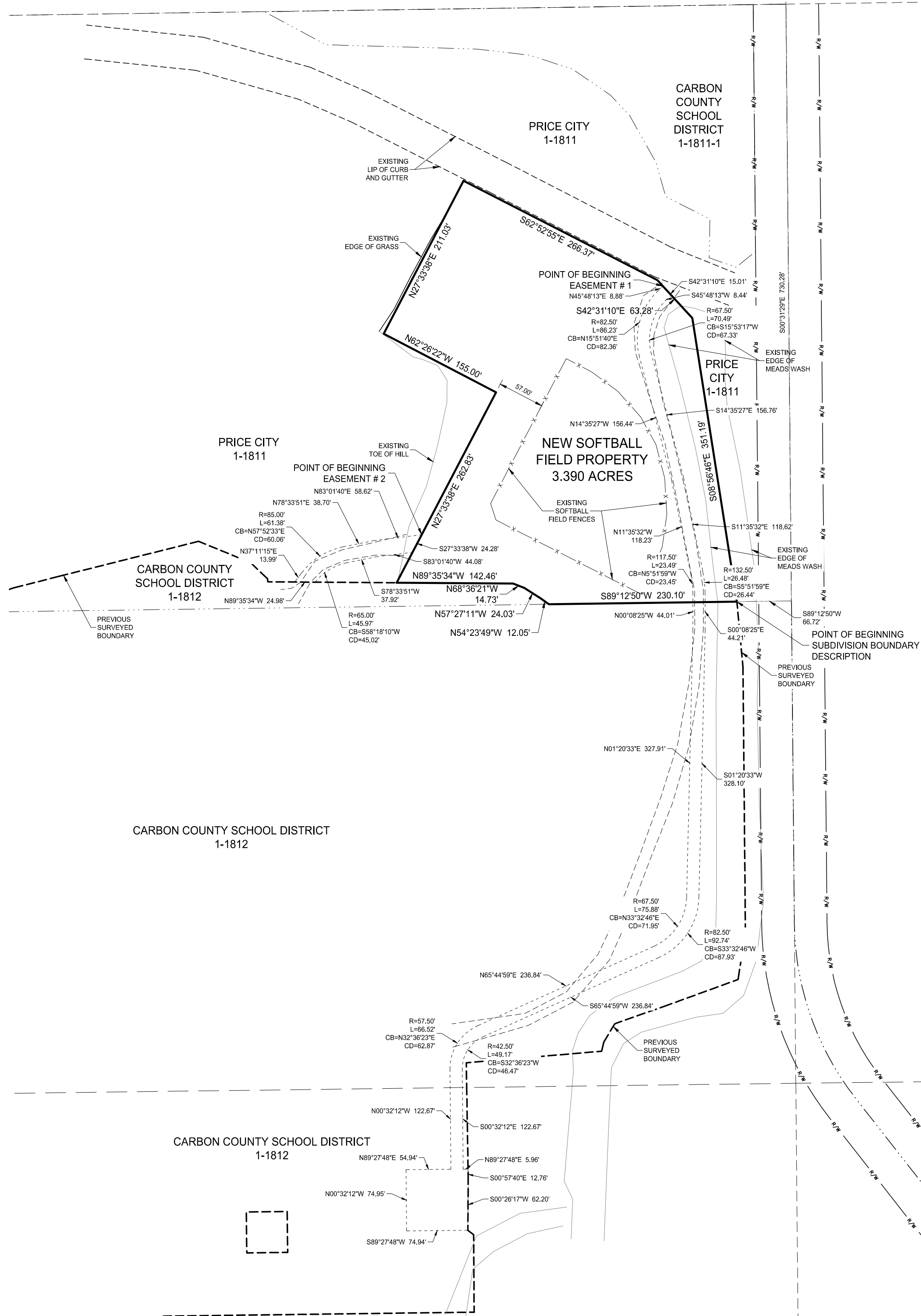
LEGEND

- SURVEYED BOUNDARY LINE
- SECTION LINE
- QUARTER SECTION LINE
- 40 ACRE LINE
- DEED LINE
- EASEMENT BOUNDARY LINE
- PREVIOUS SURVEY BOUNDARY LINE
- LIP OF CURB AND GUTTER
- EXISTING FENCE
- SET REBAR WITH PLASTIC CAP STAMPED LS 343639 UNLESS OTHERWISE NOTED

GRAPHIC SCALE



SECTION INFORMATION
NOT TO SCALE



EASEMENT DESCRIPTIONS

EASEMENT # 1
BEGINNING AT A POINT LOCATED 500'31'29\"E ALONG THE 40 ACRE LINE, 344.99 FEET AND WEST 153.80 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED ON THE NORTH BOUNDARY OF THE NEW CARBON COUNTY SCHOOL DISTRICT PROPERTY; THENCE S42°31'10\"E ALONG SAID NORTH BOUNDARY, 15.01 FEET; THENCE S45°48'13\"W 8.44 FEET; THENCE AROUND A 67.50 FOOT RADIUS CURVE TO THE LEFT, 70.49 FEET (CHORD BEARS S16°53'17\"W 67.33 FEET); THENCE S14°35'27\"E 156.76 FEET; THENCE S11°35'32\"E 118.62 FEET; THENCE AROUND A 132.50 FOOT RADIUS CURVE TO THE RIGHT, 26.48 FEET (CHORD BEARS S05°51'59\"E 26.44 FEET); THENCE S00°08'25\"E 44.21 FEET; THENCE S01°20'33\"W 328.10 FEET; THENCE AROUND A 62.50 FOOT RADIUS CURVE TO THE RIGHT, 92.74 FEET (CHORD BEARS S33°32'48\"W 87.93 FEET); THENCE S05°44'59\"W 236.84 FEET; THENCE AROUND A 42.50 FOOT RADIUS CURVE TO THE LEFT, 49.17 FEET (CHORD BEARS S32°36'23\"W 46.47 FEET); THENCE S00°32'12\"E 122.67 FEET; THENCE N89°27'48\"E 5.96 FEET TO THE EAST BOUNDARY OF TAX PARCEL 1-1812; THENCE ALONG THE EAST BOUNDARY OF TAX PARCEL 1-1812 THE FOLLOWING COURSES: S00°57'40\"E 12.76 FEET AND S00°26'17\"W 62.20 FEET; THENCE S89°27'48\"W 74.94 FEET; THENCE N00°32'12\"W 74.95 FEET; THENCE N89°27'48\"E 54.94 FEET; THENCE N00°32'12\"W 122.67 FEET; THENCE AROUND A 57.50 FOOT RADIUS CURVE TO THE RIGHT, 66.52 FEET (CHORD BEARS N32°36'23\"E 62.87 FEET); THENCE N65°44'59\"E 236.84 FEET; THENCE AROUND A 67.50 FOOT RADIUS CURVE TO THE LEFT, 75.88 FEET (CHORD BEARS N33°32'48\"E 74.95 FEET); THENCE N01°20'33\"E 327.91 FEET; THENCE N00°08'25\"E 44.01 FEET; THENCE AROUND A 117.50 FOOT RADIUS CURVE TO THE LEFT, 23.49 FEET (CHORD BEARS N05°51'59\"W 23.45 FEET); THENCE N11°35'32\"W 118.23 FEET; THENCE N14°35'27\"W 156.44 FEET; THENCE AROUND A 82.50 FOOT RADIUS CURVE TO THE RIGHT, 86.23 FEET (CHORD BEARS N15°51'40\"E 82.36 FEET); THENCE N45°48'13\"E 8.88 FEET TO THE POINT OF BEGINNING.
CONTAINING 0.584 ACRE.

EASEMENT # 2
BEGINNING AT A POINT LOCATED 500'31'29\"E ALONG THE 40 ACRE LINE, 649.26 FEET AND WEST 451.61 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED ON THE WEST BOUNDARY OF THE NEW CARBON COUNTY SCHOOL DISTRICT PROPERTY; THENCE S27°33'38\"W ALONG SAID WEST BOUNDARY, 24.28 FEET; THENCE S83°01'40\"W 44.06 FEET; THENCE S78°33'51\"W 37.92 FEET; THENCE AROUND A 65.00 FOOT RADIUS CURVE TO THE LEFT, 45.97 FEET (CHORD BEARS S58°18'10\"W 45.02 FEET) TO THE NORTH LINE OF TAX PARCEL 1-1812; THENCE N89°35'34\"W ALONG THE NORTH LINE OF SAID TAX PARCEL 1-1812, 24.98 FEET; THENCE N37°11'15\"E 13.99 FEET; THENCE AROUND A 85.00 FOOT RADIUS CURVE TO THE RIGHT, 61.38 FEET (CHORD BEARS N57°52'33\"E 60.06 FEET); THENCE N78°33'51\"E 38.70 FEET; THENCE N83°01'40\"E 58.62 FEET TO THE POINT OF BEGINNING.
CONTAINING 0.069 ACRE.

NOTES

- THE PURPOSE OF THIS SURVEY WAS TO CREATE A NEW DESCRIPTION FOR PROPERTY TO BE USED FOR THE CARBON HIGH SCHOOL SOFTBALL AND BASEBALL FIELDS AND TO CREATE EASEMENTS FOR ACCESS AS SHOWN HEREON.
- THE BASIS OF BEARING USED WAS N00°22'03\"W BETWEEN THE SOUTHWEST CORNER AND THE NORTHWEST CORNER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M.
- THE SECTION INFORMATION WAS TAKEN FROM A RECORD OF SURVEY FOR CARBON COUNTY SCHOOL DISTRICT PERFORMED BY JONES AND DEMILLE ENGINEERING RECORDED IN THE CARBON COUNTY RECORDER'S OFFICE AS FILE NUMBER 543.

SURVEYOR'S CERTIFICATE

I, TREVOR R. GADD, A REGISTERED LAND SURVEYOR AS PRESCRIBED BY THE LAWS OF THE STATE OF UTAH, HOLDING CERTIFICATE #343639, CERTIFY THAT BY AUTHORITY OF THE PROPERTY OWNERS, THE PLAT SHOWN HEREON WAS MADE UNDER MY DIRECTION. I FURTHER CERTIFY THAT THIS PLAT CORRECTLY SHOWS THE DIMENSIONS OF THE PROPERTY TO BE KNOWN AS THE CARBON COUNTY SCHOOL DISTRICT SOFTBALL SUBDIVISION.

TREVOR R. GADD P.L.S. #343639 DATE

SUBDIVISION BOUNDARY DESCRIPTION

BEGINNING AT A POINT LOCATED 500'31'29\"E ALONG THE 40 ACRE LINE, 730.28 FEET AND S89°12'50\"W ALONG THE SOUTH LINE OF TAX PARCEL 1-1811, 66.72 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED AT THE CENTER LINE OF MEADS WASH; THENCE ALONG THE SOUTH LINE OF SAID TAX PARCEL 1-1811 THE FOLLOWING COURSES: S89°12'50\"W 230.10 FEET, N54°23'49\"W 12.05 FEET, N57°27'11\"W 24.03 FEET, N68°36'21\"W 14.73 FEET AND N89°35'34\"W 142.46 FEET; THENCE N27°33'38\"E 262.83 FEET; THENCE N62°26'22\"W 155.00 FEET; THENCE N27°33'38\"E 211.03 FEET TO THE EXISTING BACK OF CURB; THENCE S82°52'55\"E ALONG THE EXISTING BACK OF CURB, 266.37 FEET; THENCE S42°31'10\"E 63.28 FEET TO THE CENTER LINE OF MEADS WASH; THENCE S08°56'46\"E ALONG THE CENTER LINE OF MEADS WASH, 351.19 FEET TO THE POINT OF BEGINNING.
CONTAINING 3.390 ACRES.

OWNER'S CERTIFICATE AND DEDICATION

REPRESENTING CARBON COUNTY SCHOOL DISTRICT HEREBY CERTIFIES THAT THEY HAVE CAUSED TO BE SURVEYED, SUBDIVIDED AND PLATTED INTO A LOT AS SHOWN BY THE PLAT OF THE HEREON DESCRIBED CARBON COUNTY SCHOOL DISTRICT SOFTBALL SUBDIVISION LOCATED IN PRICE CITY, CARBON COUNTY, STATE OF UTAH.

IT IS FURTHER CERTIFIED THAT ACCESS AND UTILITIES SHALL BE MAINTAINED IN PERPETUITY AS SET FORTH IN THE DECLARATION OF EASEMENTS, COVENANTS, AND RESTRICTIONS.

SIGNATURE DATE TITLE

ACKNOWLEDGMENT

STATE OF COUNTY OF } S.S.
ON THE DAY OF , A.D. 20 , PERSONALLY APPEARED BEFORE ME THE SIGNERS OF THE FOREGOING OWNER'S CERTIFICATE AND DEDICATION WHO DULY ACKNOWLEDGED TO ME THAT THEY DID EXECUTE THE SAME.

MY COMMISSION EXPIRES

NOTARY PUBLIC

PLANNING COMMISSION

DO HEREBY CERTIFY THAT THIS PLAT OF THE CARBON COUNTY SCHOOL DISTRICT SOFTBALL SUBDIVISION HAS BEEN APPROVED BY THE PRICE CITY PLANNING COMMISSION ON THIS DAY OF , A.D. 20 .

ATTEST: CHAIRPERSON

SECRETARY

CITY ENGINEER'S CERTIFICATE

I HEREBY CERTIFY THAT THIS OFFICE HAS EXAMINED THIS PLAT AND THAT IT IS CORRECT AND IN ACCORDANCE WITH THE INFORMATION ON FILE IN THIS OFFICE.

PRICE CITY ENGINEER

DATE

APPROVAL AS TO FORM

APPROVED THIS DAY OF , A.D. 20 .

CITY ATTORNEY

PRICE CITY

PRESENTED TO PRICE CITY THIS DAY OF , A.D. 20 , AT WHICH TIME THIS SUBDIVISION WAS APPROVED AND ACCEPTED.

MAYOR

DATE

ATTEST:

CITY RECORDER

DATE

CITY RECORDER'S SEAL

PREPARED BY:

Jones & DeMille Engineering, Inc.

1535 South 100 West - Richfield, Utah 84701 Phone (435) 896-8266 - Fax (435) 896-8268

248 East Main - Price, Utah 84501 Phone (435) 637-8266 - Fax (435) 637-8268

www.jonesanddemille.com

CARBON COUNTY RECORDER

STATE OF UTAH, CARBON COUNTY, RECORDED AND FILED AT THE REQUEST OF

ENTRY NUMBER:

DATE: TIME: BOOK: PAGE:

FEES CARBON COUNTY RECORDER

PROJECT NUMBER: 1509-230 FILE NAME: H:\JD\PROJ\1509-230\DWG\1509-230 SURVEY.DWG

SURVEYED BY: G.B.N. DRAWN BY: T.R.G. LAST EDIT: 12/18/2015

Carbon County School District Softball Subdivision

Price City, Carbon County, Utah

1" = 100'

QUIT-CLAIM DEED

PRICE CITY, a Municipal Corporation, of the State of Utah, 185 East Main Street, Price, Utah 84501, hereafter Grantor, hereby QUIT-CLAIMS to **CARBON COUNTY SCHOOL DISTRICT**, of 251 West 400 North, Price, Utah 84501, hereafter Grantee, for the sum of \$10.00 and other good and valuable consideration, receipt of which is hereby acknowledged, the following described tract of land located in Price City, Carbon County, Utah.

BEGINNING AT A POINT LOCATED S00°31'29"E ALONG THE 40 ACRE LINE, 730.28 FEET AND S89°12'50"W ALONG THE SOUTH LINE OF TAX PARCEL 1-1811, 66.72 FEET FROM THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 15, T.14 S., R.10 E., S.L.B. & M., SAID POINT OF BEGINNING ALSO BEING LOCATED AT THE CENTER LINE OF MEADS WASH; THENCE ALONG THE SOUTH LINE OF SAID TAX PARCEL 1-1811 THE FOLLOWING COURSES: S89°12'50"W 230.10 FEET, N54°23'49"W 12.05 FEET, N57°27'11"W 24.03 FEET, N68°36'21"W 14.73 FEET AND N89°35'34"W 142.46 FEET; THENCE N27°33'38"E 262.83 FEET; THENCE N62°26'22"W 155.00 FEET; THENCE N27°33'38"E 211.03 FEET TO THE EXISTING BACK OF CURB; THENCE S62°52'55"E ALONG THE EXISTING BACK OF CURB, 266.37 FEET; THENCE S42°31'10"E 63.28 FEET TO THE CENTER LINE OF MEADS WASH; THENCE S08°56'46"E ALONG THE CENTER LINE OF MEADS WASH, 351.19 FEET TO THE POINT OF BEGINNING.
CONTAINING 3.390 ACRES.

WITNESS the hand of said Grantor this _____ day of _____, 20____.

Price City, A Municipal Corporation

Joe L. Piccolo, Mayor

ATTEST:

Sherrie Gordon, City Recorder

STATE OF Utah)

: SS

COUNTY OF Carbon)

On the _____ day of _____, 20____, personally appeared before me, Joe L. Piccolo, Mayor of Price City and Sherrie Gordon, City Recorder of Price City, the signers of the above instrument, who duly acknowledged to me that they executed the same on behalf of Price City by the authority of the Price City Council pursuant to a resolution thereof on January 27th, 2016.

Notary Public

PUBLIC HEARING

THE PRICE CITY PLANNING AND ZONING COMMISSION WILL HOLD A PUBLIC HEARING TO RECEIVE INPUT ON THE POTENTIAL SURPLUS AND TRANSFER OF REAL PROPERTY, COMMONLY REFERRED TO AS THE 'GIRLS SOFTBALL FIELD', LOCATED AT APPROXIMATELY 650 N CEDAR HILLS DRIVE, FROM PRICE CITY TO THE CARBON COUNTY SCHOOL DISTRICT. THE PUBLIC HEARING WILL BE HELD AT 6:00PM ON MONDAY, JANUARY 25, 2015 AND HELD IN THE PRICE CITY COUNCIL CHAMBERS LOCATED AT 185 E MAIN STREET. COMMENTS MAY BE MADE IN ADVANCE BY CONTACTING NICK TATTON AT 636-3184. ALL COMMENTS WILL BE PROVIDED TO THE PLANNING COMMISSION.

THE PRICE CITY COUNCIL WILL HOLD A PUBLIC HEARING TO RECEIVE INPUT ON THE POTENTIAL SURPLUS AND TRANSFER OF REAL PROPERTY, COMMONLY REFERRED TO AS THE 'GIRLS SOFTBALL FIELD', LOCATED AT APPROXIMATELY 650 N CEDAR HILLS DRIVE, FROM PRICE CITY TO THE CARBON COUNTY SCHOOL DISTRICT. THE PUBLIC HEARING WILL BE HELD AT 6:00PM ON WEDNESDAY, JANUARY 27, 2015 AND HELD IN THE PRICE CITY COUNCIL CHAMBERS LOCATED AT 185 E MAIN STREET. COMMENTS MAY BE MADE IN ADVANCE BY CONTACTING NICK TATTON AT 636-3184. ALL COMMENTS WILL BE PROVIDED TO THE PLANNING COMMISSION.

PUBLISHED IN THE SUN ADVOCATE JANUARY 14, 19, 2016

“DRAFT”

Minutes of the Price City Council Meeting
City Hall
Price, Utah
January 13, 2016 at 5:30 p.m.

Present:

Mayor Piccolo

Councilmembers:

Kathy Hanna-Smith

Layne Miller

Wayne Clausing

Terry Willis

Kevin Droic-Police Captain

Nick Sampinos-City Attorney

Miles Nelson-Public Works Director

John Daniels-Human Resource Director

Nick Tatton-Community Director

Lisa Richens-Finance Director

Sherrie Gordon-City Recorder

Excused Absence: Councilmember Davis and Bret Cammans-Customer Service

Present: Todd Thorne, Norma Procarione, R. Chantz Richens, Rick Sherman, Art and Joyce Daniels, and Terry Houser

1. Mayor Piccolo called the regular meeting to order at 5:35 p.m. He led the Pledge of Allegiance.
2. Roll was called with the above Councilmembers and staff in attendance.
3. PUBLIC COMMENT –
Terry Houser addressed the council regarding the previous property bids and the recently completed appraisal at the Olsen Reservoir location. The property owners are anxious for the completion of the project. Mayor Piccolo updated the Council on the project progress and stated that appraisals have been received. There is a difference between the City's appraisal, the property owners' appraisals and the appraised value as determined by an appraisal firm. Mayor Piccolo proposed to Council that this project be placed on the January 27, 2016 City Council meeting for consideration of revised bids from the property owners based on appraised values by the appraisal firm and other adjustments made to prior sale amounts as may be needed.
4. COUNCILMEMBERS REPORT – Councilmembers presented an update on the activities and functions in which they have participated since the last Council meeting.
5. PINNACLE SCHOOL'S ANNUAL WILD WEST FUNDRAISER - Consideration and possible approval for sponsorship.

The sponsorship was briefly discussed. Nick Tatton reported that the matter had been handled administratively through purchase of advertising in the program and provision of logo shirts for the event. No council action was needed or taken.

6. PARENTS EMPOWERED PRESENTATION - Ileen Green introduced the campaign to help prevent underage drinking.

Ms. Green was not in attendance and no presentation was provided.

MOTION. Councilmember Clausing moved to strike this item from the agenda and invite them to come back at a later date. Motion seconded by Councilmember Hanna-Smith and carried.

7. PRICE CITY LIBRARY 2015 STATISTICAL ANNUAL REPORT OF PUBLIC LIBRARY SERVICES - Library yearly report and long range plan.

Norma Procarione, Library Director, reviewed the report and discussed the long range library plans.

8. PRICE CITY LIBRARY OVERDUE POLICY - Consideration and possible approval of an Overdue Policy.

MOTION. Councilmember Hanna-Smith moved to approve the Overdue Policy. Motion seconded by Councilmember Willis and carried.

9. MENTOR WORKS CDBG SUBCONTRACTOR REQUEST - Consideration and possible approval or decline of a request by Joseph White that Price City sponsor a CDBG application for Mentor Works, 2016 CDBG budget year.

There was no representation from Mentor Works at the City Council meeting.

Nick Tatton addressed the Council. He stated that Joseph White with Mentor Works requested a subcontractor agreement for pass through of CDBG funds. CDBG requires that a public entity sponsor all applications for funds although many non-public groups are eligible for funding support.

MOTION. Councilmember Clausen moved to deny the request of Mentor Works that Price City provide a subcontractor agreement and facilitate the use of CDBG funds via Price City for the Mentor Works sober houses in Price. Motion seconded by Councilmember Hanna-Smith and carried.

10. PUBLIC HEARING - Public hearing to receive input regarding the 2016 update to the Price City General Plan.

Nick Tatton reported to the Council that the Planning and Zoning Commission held a public hearing on January 11, 2016 and no public comment was received. The Commission adopted Resolution No. 2016-02PZ supporting the goals developed in the Price City General Plan update and recommending adoption of the updated Price City General Plan, 2016 Edition, by the Price City Council.

MOTION. Councilmember Willis moved to open the public hearing at 6:31 p.m. Motion seconded by Councilmember Clausen and carried.

No public comment was received.

MOTION. Councilmember Hanna-Smith moved to close the public hearing at 6:32 p.m. Motion seconded by Councilmember Willis and carried.

11. PUBLIC HEARING - Public hearing to receive input on the proposed 2016 updates to the Price City Land Use Management and Development Code.

Nick Tatton reported to the Council that the Planning and Zoning Commission held a public hearing on January 11, 2016 and no public comment was received. The Commission approved Resolution No. 2016-03PZ supporting and recommending adoption of certain updates to the Price City Land Use Management and Development Code, 2008 Edition, by the Price City Council.

MOTION. Councilmember Miller moved to open the public hearing at 6:34 p.m. Motion seconded by Councilmember Hanna-Smith and carried.

No public comment was received. Mayor Piccolo requested that the executive summary provided by

Mr. Tatton for the City Councilmembers and those in attendance at the meeting be included with the meeting minute information.

MOTION. Councilmember Clausen moved to close the public hearing at 6 34 p.m. Motion seconded by Councilmember Willis and carried.

12. RESOLUTION NO. 2016-01 - Consideration and possible approval of a resolution adopting the 2016 revision to the Price City General Plan.

MOTION. Councilmember Willis moved to approve Resolution No. 2016-01. Motion seconded by Councilmember Hanna-Smith and carried.

13. ORDINANCE NO. 2016-01 - Consideration and possible approval of an ordinance adopting the updates to the Price City Land Use Management and Development Code, 2008 Edition.

MOTION. Councilmember Hanna-Smith moved to approve Ordinance No. 2016-01. Motion seconded by Councilmember Clausing and carried.

CONSENT AGENDA – Councilmember Hanna-Smith moved to approve consent agenda items 14 through 22. Motion seconded by Councilmember Miller and carried.

14. MINUTES -

- a. December 9, 2015 City Council Meeting
- b. January 4, 2016 City Council Swearing in Ceremony
- c. January 8, 2016 City Council Workshop

15. BUSINESS LICENSES - Consideration and possible approval for business licenses for Sherry's Paint and Body at 50 North 300 East, Compliance Staffing Agency, LLC at 140 North Cedar Hills Drive, and Compass Gear DBA Bicyclewerks at 82 North 100 West.

16. FIRE DEPARTMENT - Consideration and possible approval to apply for and accept, if awarded, the 2016 Assistance to Firefighters Grant. The total grant request will be \$25,000. FEMA will cover 95% of the project costs. Price City's match obligation will be 5% (\$1,250).

17. CDBG SUBCONTRACTOR AGREEMENT - Consideration and possible approval of a subcontractor agreement between Price City and the Housing Authority of Carbon County for CDBG funded projects in the 2016 project year.

18. GENERAL ENGINEERING SERVICES AGREEMENT - Consideration and possible approval of general services agreement with Jones and DeMille Engineering, Inc. for consulting engineering services.

19. JOINT HIGHWAY COMMITTEE GRANT APPLICATIONS - Ratification of grant applications to the UDOT Joint Highway Committee for Small Urban Road (SUR) funds and Transportation Alternative (TAP) funds. The SUR grant is for \$932,300 with a City match of \$67,700 and will be for the reconstruction of Westwood Blvd in 2021. The TAP grant is for \$195,783 with a City match of \$14,217 for improvements along Main Street including street lights and sidewalk. Project expenses exceeding these amounts will need to be covered by the City or other funding source.

20. GREEN TEAM OF CARBON COUNTY - Consideration and possible approval to buy a trailer, with modifications, at a purchase price of \$2,340.

21. ADOPT-A-STREET APPLICATION AND AGREEMENT - Consideration and possible approval for:

The Boy Scouts of America (younger group), Tavaputs District, to adopt the Price River Trail, beginning January 1, 2016 and ending December 31, 2018.

The Boy Scouts of America (older group), Tavaputs District, to adopt Highway 10 Main Street to Tony Basso, beginning January 1, 2016 and ending December 31, 2018.

22. TRAVEL REQUESTS - Consideration and possible approval for:

Tamara Gray, Deseret Wave Pool, Utah Recreation & Parks Association Conference, March 6-9, 2016, St. George, UT.

Brandon Ratcliffe, Basic Narcotics Tactics Training, January 25-29, 2016, Sandy, UT.

Trenton Bennett, Building Inspector, Annual ABM Code Update Training, February 15-19, 2016, St. George, UT.

23. COMMITTEES - Updates presented.
 - a. WATER RESOURCES
 - b. EMERGENCY PLANNING
 - c. COMMUNITY PROGRESS-CULTURE CONNECTION
 - d. INTERNATIONAL DAYS
24. UNFINISHED BUSINESS –
 - a. Recycling – Councilmember Willis will attend a meeting on January 14, 2016 at 4:00 P.M. They will finalize the purchase of a flat-bed trailer for cardboard recycling.

The regular City Council meeting was adjourned at 6:44 p.m. by Mayor Piccolo, pursuant to a motion by Councilmember Hanna-Smith and seconded by Councilmember Miller.

APPROVED:

ATTEST:

Joe L. Piccolo, Mayor

Sherrie Gordon, City Recorder

“DRAFT”

**MINUTES OF PRICE CITY COUNCIL MEETING
MEETING HELD ON JANUARY 13, 2016, 5:00 P.M.**

The Price City Council meeting convened in regular session on January 13, 2016, in the Price City Hall Council Chambers, Room 104 at 5:00 p.m.

Present: Councilmember Terry Willis Community Director, Nick Tatton
 Councilmember Wayne Clausing City Recorder, Sherrie Gordon
 Councilmember Kathy Hanna-Smith
 Councilmember Layne Miller

Excused: Mayor Joe L. Piccolo and Councilmember Davis

Others: Richard Wood, Mindy Birch, Tiffany Van Sickle, Vic Staley, and Todd Thorne

MOTION. Councilmember Hanna-Smith moved to have Councilmember Willis serve as Mayor Pro tempore in the absence of Mayor Piccolo. Motion seconded by Councilmember Clausing and carried.

COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC HEARING:

MOTION: Councilmember Hanna-Smith moved to open the public hearing at 5:02 p.m. Motion seconded by Councilmember Miller.

Mayor Pro tempore Willis opened the public hearing at 5:02 p.m. for the Community Development Block Grant (CDBG) program and stated that this hearing is being called to consider potential projects for which funding may be applied under the 2016 CDBG Program. It was explained that the grant money must be spent on projects benefiting primarily low and moderate-income persons. The Southeastern Utah Region, of which Price City is a member, is expecting to receive approximately \$350,000 to \$400,000 in this new program year. All eligible activities that can be accomplished under this program are identified in the CDBG Application Guide and interested persons can review it at any time. Mayor Pro tempore Willis read several of the eligible activities listed such as: construction of public works and facilities, i.e.: water and sewer lines, fire stations, acquisition of real property, provision of public services such as food banks or homeless shelters. Also eligible are loan programs for private businesses which would then hire low income persons and the program can also pay for housing rehabilitation for low income homeowners or for persons owning rental housing for lower income persons. Mayor Pro tempore Willis indicated that in the past the City has received CDBG funds for ADA access projects and pedestrian pathways (sidewalks) leading to income targeted housing, income targeted housing projects and recreation projects as well as multiple income targeted housing projects in conjunction with the Housing Authority. The City handed out its capital investment plan as part of the regional “Consolidated Plan”. This list shows which projects Price City has identified as being needed in the community. It was asked that anyone with questions, comments or suggestions during the hearing please identify themselves by name, before they speak. The City Recorder will include all

names in the minutes and the City would like to specifically respond to all questions and suggestions from the public during the hearing.

Vic Staley representing Carbon County Housing Authority requested that Price City sponsor an application for 2016 CDBG funding for a project that includes windows, storm doors and security systems for the elderly housing complex.

Tiffany Van Sickle, Prevention Coordinator, representing Four Corners Behavioral Health addressed the council regarding the Four Corners Youth Prevention Coalition. She explained the program and stated they are forming a community coalition, funding for a position, and funding for other projects. Todd Thorne, Program Manager, representing South Eastern Utah Association of Local Governments addressed the council. He will work with Four Corners Behavioral Health to identify projects and eligible programs. They will work with Nick Tatton to get this project moving forward, most likely in the 2017 program year for CDBG.

Richard Wood addressed the Council regarding Mentor Works. Mentor Works had submitted a request to Price City asking for the City to sponsor their application for CDBG funding through the subcontractor arrangement. Mr. Wood attended a meeting last week and is upset with this project and not supportive. The program serves a high risk population and he feels that a board is needed to oversee the two facilities located in Price. He discussed statistics regarding these facilities. He feels that these facilities should not be rented on a monthly basis and that a yearly contract is needed. He requested the following:

1. A Board oversees this project.
2. Reduce the money required to be admitted to the sober houses.
3. A one-year lease is required.


MOTION. Councilmember Clausing moved to close the public hearing at 5:27 p.m. Motion seconded by Councilmember Hanna-Smith and carried.

APPROVED:

ATTEST:

Terry Willis, Mayor Pro tempore

Sherrie Gordon, City Recorder

2016-2018 Price City Council Assignments & Responsibilities					January 22, 2014
Layne Miller	Kathy Hanna-Smith	Rick Davis	Terry Willis	Wayne Clausing	Richard Tatton
Library Board	Parks/Cemetery Policy	Green Team Liaison	Community Progress Board	Planning/Zoning Board	
Cultural Connection	Economic Development/Business Revitalization Policy	Business Development/Revitalization Policy	Price City Youth Council	Volunteer Team Development Policy	PRWID Board Member
Historic Preservation Policy	Power & Light Policy	Ditch/Irrigation Systems Policy	Museum/Gallery Policy	Fleet Management Policy	County Planning/Zoning
Safety Committee	Engineering Policy	City Emergency Preparedness Policy	Physical Facilities Policy	Wellness Committee	
Public Works Policy	Real Property Policy	Water Quality Reclamation Policy	Community Helping Community	USU Planning Commission	
Public Risk Management Policy	Cultural/Heritage Committee	Storm Water Policy	Capital Improvements Committee	Customer Service Policy	
Information System Policy	Carbon County Travel Board	Group Insurance Benefits Policy	Castleland RC&D	ASCEU Board Member	
Public Utilities Advisory Board	Drinking Water Policy	City Risk Management Committee	Chamber of Commerce Committee	Swimming Pool Policy	
Personnel Committee	Streets/Maintenance Policy	Community Service Committee	Urban Forestry/Sidewalk Committee	Waste/Refuse Management Policy	
		Parade & Recreation Event Policy		Personnel Committee	
International Days Immediate Past Chair	International Days Chair		International Days Chair Elect (intended)		

City Recorder - Sherrie Gordon

City Treasurer appointment - Shari Madrid



MEMORANDUM

TO: Mayor and City Council

FROM: John Daniels 

*Distributed electronically via email by
JR Daniels 01/25/2016*

DATE: January 25, 2016

SUBJECT: Career Ladder Promotion: Stephen Regruto

Kevin Drolc recommends Stephen Regruto be promoted from Sergeant I to Sergeant II.

In accordance with our promotion and career ladder guidelines, a recommendation form to justify the promotion has been completed. The promotion is supported and signed by Chief Drolc. The Finance Director confirmed the promotion within budget. Based on my review of the supporting documentation, wage relativity, attendance, and performance evaluations I support the promotion. The completed form and supporting documentation is available for review in my office.

The promotion will be on the agenda for the City Council Meeting scheduled for January 27, 2016. If you have any questions please contact Kevin Drolc or me.

Cc Kevin Drolc
Lisa Richens

Mayor
JOE L. PICCOLO

City Attorney
NICK SAMPINOS

**Human Resource &
Risk Management Director**
JOHN DANIELS, SPHR

Finance Director
LISA RICHENS, CPA

City Treasurer
SHARI MADRI



PRICE MUNICIPAL CORPORATION

185 East Main * P.O. BOX 893, PRICE, UTAH 84501
PHONE (435) 637-5010 * FAX (435) 637-2905

City Council

WAYNE CLAUSING
RICK DAVIS
LAYNE MILLER
KATHY HANNA SMITH
TERRY WILLIS

www.priceutah.net

CENTENNIAL CITY 1911-2011
TRAIN TOWN USA 2013

January 27, 2016

Senator David P. Hinkins
P.O. Box 485
Orangeville, UT 84537

Dear Senator Hinkins:

SUBJECT: CARBON COUNTY LOWER ELEVATION RESERVOIR

We greatly appreciate the support that the State Legislature has provided during the preliminary stages of the development of a reservoir in Carbon County. On multiple occasions in the past, residents and public officials have sought to build a lower elevation reservoir, but due to a variety of complex issues, it has never been accomplished.

The need for a reservoir is now greater than ever. During the last few years annual precipitation has been lower than the historical average, and all existing water sources in the county have been completely developed. Price City has a legal right to more water but not the infrastructure necessary to store and utilize it. Not only will a reservoir make this additional water available, it will make possible the implementation of more efficient distribution and conservation practices throughout the county.

This is a time of change in Carbon County and the long-term viability of many of the traditional employment opportunities is uncertain. The county's livelihood may depend on new commercial and industrial development, for which the availability of water is a key factor.

It is thrilling to see the progress being made to build the reservoir, including the selection of a suitable location, and feasibility studies being completed for various project elements. Many interested individuals and organizations have expressed a desire to help the project proceed, and because there has been so much cooperation, the project will certainly be of benefit to a variety of stakeholders. There seems to be a general excitement for the reservoir among the populace, especially as people realize that the project may finally become a reality.

Much progress has been made, but we hope to keep the momentum going. We again recognize your support, and respectfully request that you continue to make resources available to help the project move forward. Thank you for your service to the residents of our great city and Carbon County.

Sincerely,

Joe Piccolo, Mayor

City Council Members:

Wayne Clausing

Rick Davis

Kathy Hanna Smith

Layne Miller

Terry Willis

**ESTIMATING AGREEMENT FOR FACILITY IMPROVEMENT WORK
BETWEEN
ROCKY MOUNTAIN POWER
AND
PRICE CITY**

This ESTIMATING AGREEMENT FOR FACILITY IMPROVEMENT WORK ("Agreement"), is entered into between PacifiCorp, an Oregon corporation doing business in Utah as Rocky Mountain Power ("Rocky Mountain Power"), and PRICE CITY ("Requestor"), for work to be performed in relation to estimating the cost of the proposed improvements of certain Rocky Mountain Power facilities ("Existing Facilities") and/or installation of new facilities to be owned by Rocky Mountain Power ("New Facilities") located in or near Price, Utah. Rocky Mountain Power and Requestor are each sometimes referred to herein as "Party" or collectively as "Parties."

WHEREAS, Requestor desires that Rocky Mountain Power provide a non-binding Facility Improvement Estimate of the amounts Rocky Mountain Power would charge Requestor to improve Existing Facilities and/or install New Facilities;

WHEREAS, Rocky Mountain Power will incur certain costs in developing this Facility Improvement Estimate;

WHEREAS, this Agreement relates only to the provision of a Facility Improvement Estimate and does not bind either Party with respect to performing the work that is the subject matter of the Facility Improvement Estimate; and

WHEREAS, the Parties intend that this Agreement more specifically address their responsibilities to one another in this regard.

NOW, THEREFORE, the Parties hereto agree as follows:

SECTION 1: DEFINITIONS

"Completion Date" means the date upon which Rocky Mountain Power has tendered to Requestor the Facility Improvement Estimate described in the Scope of Work, Exhibit A.

"Facility Improvement Estimate" means the estimate that Rocky Mountain Power will prepare, which will provide a non-binding estimate of the amounts Rocky Mountain Power would charge Requestor to improve the Existing Facilities and/or install New Facilities; Requestor will bear the full cost of such work, determined upon completion,

pursuant to a separate construction agreement, which will be executed by the Parties only in the event the Parties elect to go forward with the work.

"Existing Facilities" means the facilities for which Requestor has requested that Rocky Mountain Power provide an estimate of the cost of improvement; the Existing Facilities are identified in Scope of Work, Exhibit A.

"Project Costs" means all reasonable costs, charges, and expenses incurred by Rocky Mountain Power in preparing the Facility Improvement Estimate, including all of Rocky Mountain Power's reasonable internal costs, overheads, expenses, and cost of supplies, and any other amounts owed to Rocky Mountain Power under the terms of this Agreement, including without limitation, all reasonable costs incurred by Rocky Mountain Power in developing the Facility Improvement Estimate.

"New Facilities" means the facilities which Rocky Mountain Power determines would be required in addition to the Existing Facilities; the New Facilities will be generally identified in the course of developing the Facility Improvement Estimate.

SECTION 2: PURPOSE; COMPLETION; TERM

2.1 Preparatory Activities. This Agreement provides for preparatory activities. Upon execution of this Agreement Rocky Mountain Power shall begin engineering and design work in order to prepare the Facility Improvement Estimate. Rocky Mountain Power shall not be obligated to perform construction work, nor acquire any easements from land owners along the construction route under this agreement. Upon completion of its obligations hereunder, Rocky Mountain Power shall tender to Requestor the Facility Improvement Estimate.

2.2 Scope of the Facility Improvement Estimate. Rocky Mountain Power will use commercially reasonable efforts to develop the Facility Improvement Estimate in accordance with the Scope of Work attached hereto as Exhibit A, and by this reference made a part hereof. Rocky Mountain Power, in its reasonable discretion, may at any time alter the Scope of Work to reflect the engineering requirements of the project. The Facility Improvement Estimate will be at best an approximation due to a number of factors that cannot be determined at this time or which may be subject to change. As a result, the Facility Improvement Estimate will not take into account all potential factors, for to do so would (a) require significant additional detailed design, engineering, and rights of way work; (b) would add considerably to the cost of the Facility Improvement Estimate; and (c) would take substantially longer to develop; or (d) would require a substantial cost contingency to be added to the Facility Improvement Estimate. Accordingly, Rocky Mountain Power is providing the estimate based on a reasonable analysis of known conditions, and the actual cost of improving the Existing Facilities and installing the New Facilities.

2.3 Estimated Time of Completion. Rocky Mountain Power shall use commercially reasonable efforts to complete the activities described in Exhibit A, Scope of Work, on or before (90) days after Rocky Mountain Power executes this Agreement as indicated on the signature page of this Agreement. Rocky Mountain Power shall not be liable for delays in completing these activities.

2.4 Term of Agreement. This Agreement shall be effective upon the date executed by both Parties, and shall remain in effect through the Completion Date, unless terminated earlier pursuant to Section 3.3. In any case, this Agreement shall continue in effect until each Party has satisfied its obligations to the other, including without limitation any payment obligations.

2.5 Third-Party Relocation Costs. The Facility Improvement Estimate will not contain an estimate of third-party relocation costs. Requestor shall be solely responsible for obtaining cost estimates from any third-parties attached to the Existing Facilities, and Requestor shall be solely responsible for making all necessary arrangements to transfer third-party facilities to the Replacement Facilities, or any alternative arrangements to accommodate all such third-parties.

SECTION 3: COST OF SERVICES

3.1 Estimated Project Costs. Rocky Mountain Power estimates that the total Project Costs will be approximately \$10,000.00 (the "Estimated Project Costs"). In the event that actual Project Costs exceed such amount, Rocky Mountain Power shall request written approval from Requestor to proceed with additional work and Requestor shall be responsible for the cost of additional work performed. Requestor shall pay Rocky Mountain Power for all Project Costs incurred, subject to the terms of this Agreement.

3.2 Prepayment. Requestor shall tender payment in the amount of the Estimated Project Costs set forth in Section 3.1 upon executing the Agreement and Rocky Mountain Power's obligation to proceed with developing the Facility Improvement Estimate shall be contingent upon receipt of such payment. In the event Rocky Mountain Power determines that actual Project Costs may exceed the Estimated Project Costs, Rocky Mountain Power may require an additional prepayment to cover the Estimated Cost of additional work. After the Completion Date, Rocky Mountain Power shall refund the amount of any prepayments in excess of actual total Project Costs.

3.3 Right to Stop Work. Requestor reserves the right, upon seven (7) days advance written notice to Rocky Mountain Power, to require Rocky Mountain Power at any time to stop all work by Rocky Mountain Power pursuant to this Agreement. Issuance of such stop-work order shall terminate this Agreement, subject to the provisions of Section 2.2. Upon issuance of such stop-work order Requestor shall pay upon demand, without deduction, offset, or allowance, the Project Costs Rocky Mountain Power (a) has

incurred prior to the stoppage of work, and (b) reasonably incurs in winding up work, including, without limitation, the costs incurred in connection with the cancellation of any third-party contracts.

SECTION 4: LIMITATIONS ON LIABILITY

Under no circumstances shall either Party be liable the other Party for any lost or prospective profits or any other special, punitive, exemplary, consequential, incidental or indirect losses or damages (in tort, contract or otherwise) under or in respect of this Agreement or for any failure of performance related hereto howsoever caused, whether or not arising from sole, joint or concurrent negligence; and without affecting any other limitations of this Agreement, each Party's liability to each other shall in every event be limited to the payment or refund of amounts due hereunder. Requestor shall indemnify, defend, and hold harmless Rocky Mountain Power with respect to any claim that relies in any way on the Facility Improvement Estimate.

SECTION 5: FORCE MAJEURE

Neither Party shall be subject to any liability or damages for failure to perform their respective obligations hereunder to the extent that such failure shall be due to causes beyond the control of the Party claiming force majeure protection, including but not limited to the following: (a) the operation and effect of any rules, regulations and orders promulgated by any commission, municipality, or governmental agency of the United States, or subdivision thereof; (b) restraining order, injunction or similar decree of any court; (c) war; (d) flood; (e) earthquake; (f) act of God; (g) sabotage; or (h) strikes or boycotts. The Party claiming Force Majeure under this provision shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible. Provided, the obligation to pay amounts due shall not be excused by events of Force Majeure.

SECTION 6: WAIVER OF JURY TRIAL

TO THE FULLEST EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.

SECTION 7: NOTICE

Any notice required to be given hereunder shall be deemed to have been given when it is sent, with postage prepaid, by registered or certified mail, return receipt requested, to the Parties hereto at their respective addresses as follows:

To Requestor:

PRICE CITY
Ken Harney
185 E Main Street
Price, Utah 84501

To Rocky Mountain Power:

Rocky Mountain Power
Attention: Jim Hermann
Customer & Regulatory Liaison
825 NE Multnomah, Suite 800
Portland, OR 97232

SECTION 7: INTEGRATION

This Agreement replaces and supersedes in the entirety all prior agreements among the Parties related to the same subject matter.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers as of the dates set forth below.

PRICE CITY

By: _____

Name: _____

Title: _____

Date: _____

ROCKY MOUNTAIN POWER

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

SCOPE OF WORK

Price City has requested service to a new transmission level service located near Price, Utah at GPS coordinates 39.600510, -110.821531. Price City is requesting service starting on March 1, 2017, with the maximum expected increased load projected over the next five years as follows:

3.0 MW in 2017, 0.3 MW in 2018, 0.33 MW in 2019 for a total of 3.63 MW in 2019.

Rocky Mountain Power will provide a system impact study to explore the ability to serve a new transmission customer with a total of 3.63 MW of load over the next five years.

Public Works Director
MILES NELSON
City Engineer
RUSSELL SEELEY, P.E.
Streets & Fleet Supervisor
J. SCOTT OLSEN
Water & Sewer Supervisor
SAM WHITE
Parks & Cemetery Supervisor
BRIANNA WELCH



PRICE MUNICIPAL CORPORATION
PRICE CITY DEPARTMENT OF PUBLIC WORKS

432 WEST 600 SOUTH P.O. BOX 893, PRICE, UTAH 84501
PHONE (435) 637-5010 www.priceutah.net
Public Works, Engineering, Streets, Water & Sewer, Fleet, Parks

Mayor
JOE L. PICCOLO

City Council
KATHY HANNA SMITH
RICK DAVIS
WAYNE CLAUSING
LAYNE MILLER
TERRY WILLIS

PRICE RIVER WATER USERS ASSOCIATION LEASE MEMORANDUM

A Lease between Price River Water Improvement District (Lessor/Owner), and Price Municipal Corporation (Lessee), was made regarding 97.34 Acre Feet of water or **292.02** shares of Price River Water Users Association stock owned by Lessor. The cost of each share is \$20.00 (Twenty dollars and zero cents). The total due to Lessor by Lessee is \$5,840.40 (Five thousand eight hundred forty dollars and forty cents).

The water represented by this Lease shall be used for municipal purposes.

The term of the Lease coincides with the 2015 irrigation season.


Lessor hereby represents that it is the actual owner of the water stock with full authority to lease same and that all assessments charged on this water stock have been paid in full.

Dated: _____

Lessor: _____

Lessee: _____

Mayor
JOE L PICCOLO
City Attorney
NICK SAMPINOS
Community Director
NICK TATTON
City Recorder
SHERRIE GORDON
Finance Director
LISA RICHENS



185 EAST MAIN • P.O. BOX 893 • PRICE, UT 84501
PHONE (435) 637-5010 • FAX (435) 637-2905
www.pricecityutah.com

City Council
KATHY HANNA-SMITH
RICK DAVIS
WAYNE CLAUSING
LAYNE MILLER
TERRY WILLIS

Price City

UTAH'S CASTLE COUNTRY!!

**PRICE CITY
CITY COUNCIL MEETING
AGENDA DOCUMENTATION**

Preparation Date: 1-8-16	Submitting Department: Community Development
Meeting Date: 1-27-16	Department Director: Nick Tatton
	Presenter: Nick Tatton
Regarding: Development Agreement – Dairy Queen Restaurant	

Subject:	Development Agreement to incent restaurant timely development.
Purpose Statement:	To incentivize the advance payment of fees associated with development and ensure a timely start to development and job creation in the community.
Background &/or Alternatives:	Price City has a history of targeted and specific development incentive agreements. This development agreement is to help motivate timely investment and construction in the community. It is based on prior development agreements and concepts acceptable to Price City.
Attachments:	1. Copy of proposed development agreement between Price City and Pinnacle West Grill, LLC., Mr. Dallas M. Hakes.
Fiscal Impact:	Up to \$4,335.17 of reimbursement from the remaining CDA funds that will be on deposit with the SEUCDC. No direct general fund fiscal impact anticipated.
Staff Impact:	None beyond existing duties.
Legal Review:	Mr. Sampinos has reviewed the development agreement and has approved as to form.
Recommendation:	It is the recommendation of staff that the development agreement be authorized and the staff be direct to administer the agreement.
Suggested Motion(s):	<ol style="list-style-type: none"> 1. Move to authorize a Development Agreement Between Price City and Pinnacle West Grill, LLC., Mr. Dallas M. Hakes, Regarding Development of a Dairy Queen Restaurant at 915 W. Westwood Blvd. by Pinnacle West Grill LLC., Mr. Dallas M. Hakes. 2. Move to authorize the Mayor and City Recorder to sign the development agreement on behalf of Price City. 3. Move to authorize staff to complete the necessary work and administration to carry out the agreement.
Other Comments:	The development was approved prior by the planning commission during the approval for the Holiday Inn Express, all that is needed at this time is a building permit. Plans have been submitted and are under plan review at this time.

**AGREEMENT BETWEEN PRICE CITY AND PINNACLE WEST GRILL, LLC. REGARDING
DEVELOPMENT OF A DAIRY QUEEN RESTAURANT AT 915 WEST WESTWOOD BLVD. BY PINNACLE
WEST GRILL, LLC., MR. DALLAS M. HAKES.**

Purpose: The purpose of this agreement is to solidify negotiations between Price City and Pinnacle West Grill, LLC, Mr. Dallas Hakes regarding (1) imminent preparation of the site at 915 W. Westwood Blvd. for development; and, (2) construction and occupancy of a Dairy Queen Restaurant on property parcel #01-2663-0006 See map in **Exhibit A**.

Parties: This agreement is made and entered into by and between Price City (City), 185 East Main Street, Price, Utah 84501 and Pinnacle West Grill, LLC., Mr. Dallas M. Hakes (Developer), P.O. Box 887 and 492 W 1200 N, Springville, UT 84663.

Term: The term of this agreement commences on January 27th, 2016 and will terminate upon successful completion of the development requirements described below or September 30th, 2016, whichever date/event occurs first.

The parties identified above hereby agree to the following:

Developer Shall:

- Pay in full to Price City a non-refundable (non-refundable if the terms of this agreement are not met) payment of not less than \$8,670.33 representing the following expenses on or before January 31, 2016.
 - Building Permit Fee (\$500,000) \$3,807.00
 - Elect Connection Fee (100ft) \$470.00
 - Sewer Connection Fee (4") \$500.00
 - Water Connection Fee (3/4") \$750.00
 - Plan Check Fee \$2,855.26
 - Storm Water Utility Fee \$250.00
 - 1% State Bldg Permit Surcharge \$38.07
- Commence active and verifiable (photos) site construction under the auspices of a Price City Building Permit no later than March 1, 2016.
- Complete all construction and obtain final occupancy approval and have Dairy Queen Restaurant open for normal business operation on or before September 30, 2016.
- At its own cost complete all required public infrastructure improvements and roadway restoration fronting the development area along Westwood Blvd., including curb, gutter, sidewalk, planter/parking strip, storm water drainage and roadway restoration to existing edge of road.
- At its own cost construct and install access driveway as indicated on site plan and provide to Price City a design detail on the access by April 1, 2016 for the access driveway and an easement document to consider for approval prepared by a licensed engineer and/or surveyor.
- Complete all roadway striping within Westwood Blvd. as required for prior area development, under the direction of the Price City Engineer on or before September 30, 2016.
- Employ at the Price City, Utah location, identified above, no less than eight point five (8.5) Full Time Equivalent (FTE) positions that are paid a minimum of one-hundred twenty-five percent (125%) of the per position wage, as reported by the Utah State Department of Workforce Services for the respective employment position on or before September 30, 2016. Payroll documentation to be provided by Developer to Price City.

City Shall:

- Authorize up to \$4,335.17 in reimbursement (50% of permit and connection fee cost) based funding to developer for permit and utility connection costs, identified above, that result in the development and construction of a Dairy Queen Restaurant at 915 W. Westwood Blvd. on property parcel #01-2663-0006, meeting all requirements and time deadlines listed above.
- Pay to Developer, within thirty (30) days of September 30, 2016 all verified project element reimbursement requests for eligible project costs, not to exceed \$4,335.17.

SIGNED THIS _____ DAY OF _____, 2016.

Price City Community Development Agency

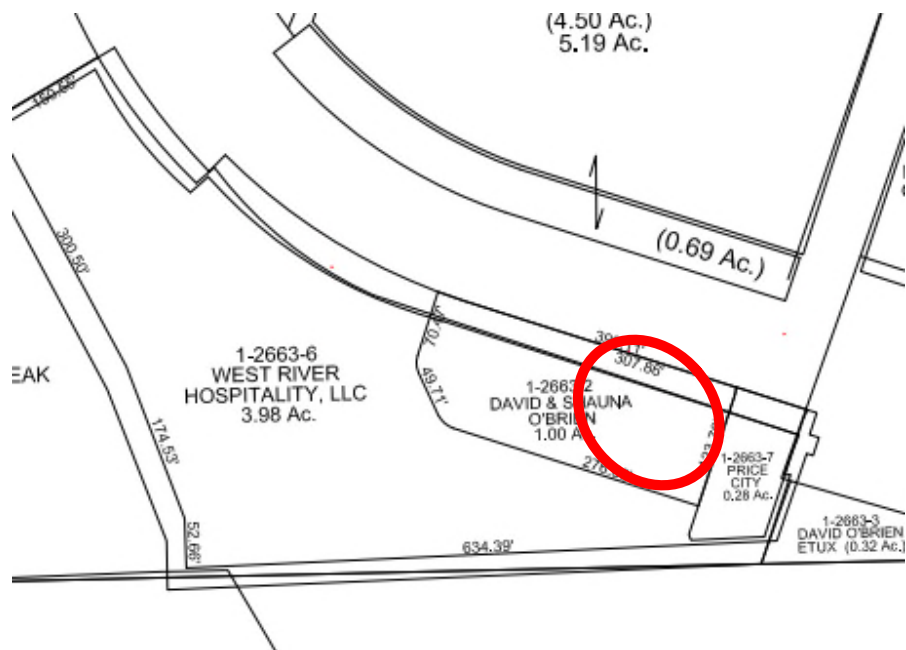
By Joe L. Piccolo, Chair

ATTEST:

Sherrie Gordon, City Recorder

Pinnacle West Grill, LLC.
Dallas M. Hakes

**EXHIBIT A
MAP OF PARCELS**



EVENT PERMIT
"TEMPORARY BEER"
Local Consent

PURPOSE: Local business licensing authority provides written consent to the Alcoholic Beverage Control Commission to issue an event permit to an organization for the purposes of storage, sale, offer for sale, furnish, or allow the consumption of an alcoholic product on the event premises

AUTHORITY: Utah Code 32B-9-201

PRICE MUNICIPAL CORP. (PRICE CITY), ☒ City [] Town [] County
Local business license authority

hereby grants its consent to the issuance of a temporary beer event permit license to:

Applicant Entity/Organization: Notre Dame de Lourdes Catholic Church

Event Name: St. Patrick's Day Dinner

Event location address: 185 N Carbon Ave. Price UT 84501
street city state zip

On the 19th day(s) of March, 2016
dates month year

during the hours of Noon - 5:00 p.m., pursuant to the provision of Utah Code 32B-9.
defined hours from - to

Authorized Signature

JOEL L. PICCOLO, MAYOR
Name/Title

1-27-16
Date

AS OF SEPTEMBER 1, 2015 THIS FORM MUST BE SUBMITTED TO THE DABC BY THE APPLICANT

Utah Department of
Alcoholic Beverage Control
P.O. Box 30408
Salt Lake City, UT 84130

**TEMPORARY BEER EVENT PERMIT
APPLICATION CHECKLIST**

Website: www.abc.utah.gov
Phone 801-977-6800
Fax 801-977-6889

TEMPORARY BEER EVENT PERMIT

Permits may be issued to individuals, bona fide partnerships, corporations, limited liability companies, churches, political organizations, or incorporated associations or to recognized subordinate lodges, chapters or other local units.

Temporary Beer event permits are issued for the sale of beer by the permit holder. A single permit may authorize the sale of beer at retail for on-premise consumption at a temporary event that does not last longer than 30 days. The sale of beer under a series of permits issued to the same person may not exceed 90 days in any one calendar year.

Permits are issued by the DABC Director contingent on review of the Alcoholic Beverage Control Commission. To ensure adequate processing and approval, **complete*** applications should be submitted 30 days prior to the event. **Applications submitted outside of these guidelines risk non-issuance of a permit.** Additionally, Due to statutory restrictions, applications received less than 7 business days prior to the event will not be considered. (Please note - when counting days, realize that there must be seven business days between the day the application is received and the date of the event).

A COMPLETE APPLICATION HAS ALL INFORMATION REQUESTED AND SUPPORTING DOCUMENTS ATTACHED

All supporting documents must be submitted with each application. An exception will be made for a bond that is on-file.

1. ☒ Completed Application Form [] Initial the attestation and [] notarize the signature. All information filled out.
2. ☒ \$100 Permit fee (refunded if permit is not granted)
3. ☒ \$500 Bond (please indicate if bond is on file)
☐ \$500 check, cash or money order **or**
☐ Corporate surety bond (template attached) **or**
☐ Third Party Liability Agreement if someone other than the applicant is paying the bond (see instructions)
4. ☒ Local city, town or county consent to the issuance of the event permit. **LOCAL CONSENT MUST BE SUBMITTED WITH THE APPLICATION.** Please contact the business licensing office where the event is to be held to ensure adequate processing time.
5. ☐ Proposed advertisement of the event such as printed and or electronic media [website links].
6. ☒ Item 18 of the application complete, listing proposed **control measures** to prevent alcohol sales or furnishing to minors and over-consumption. Required and/or recommended Control measures listed in the application should be filled out for every type of event. Provide additional pages of control measures if necessary.
7. ☒ Detailed and scaled floor plan on an 8 1/2" by 11" sheet of paper. The map should be very comprehensive. All control measures should be included on the map itself.

Copies of Utah laws and commission rules pertaining to event permits are available at www.abc.utah.gov.
Questions concerning these forms or the application process may be addressed to the
DABC Licensing and Compliance Division at (801) 977-6800.

Utah Department of
Alcoholic Beverage Control
P.O. Box 30408
Salt Lake City, UT 84130

**EVENT PERMIT APPLICATION
TEMPORARY BEER EVENT PERMIT**

Licensing and Compliance Division
Application Number _____
For Internal Use Only

☐ TEMPORARY BEER EVENT PERMIT Fees: \$100

☐ Event Bond \$500 or ☐ \$500 Surety Bond

[] on file from previous event [] using third party bond

This is permit # _____
for calendar year _____

For Internal Use Only

Number of authorized days of
sale for calendar year _____

For Internal Use Only

Applicant Information

1. Applicant Name: Ducks Unlimited

2. Applicant Address: 67 Garden St Heber UT 84526
STREET CITY STATE ZIP

3. Does this applicant have a current DABC License: No License #: _____

4. Mailing address (if different from individuals or organization):

STREET CITY STATE ZIP

5. Applicant phone: 435 820 6021 Fax _____ Email: desertducks365@gmail.com

6. Contact: Carey Olsen Phone: 435 820 6021 Email: CareyOlsen@utah.gov

Event Information

7. Event Name: Ducks Unlimited 2016 Price, Utah Dinner

8. Type of Event: a) purpose of the event: Fundraiser

b) describe event activities: Live Auction, silent auction, etc.

9. Who benefits from the proceeds of this event? Ducks Unlimited

10. Event Venue: USU Eastern Athletic Center (SDAC) DABC Licensee? _____

451 E. 400 N Price 84501
Street City Zip

11. Name of Utah beer wholesaler(s), small brewer(s) or licensed Utah beer retailer(s) where beer will be lawfully purchased for resale: Bonnie Beverage - Utah Brewing

* Keep purchase receipts. They must accompany the statement submitted to the DABC after the event.

12. Date(s) of the event: 3/5/16 Alcohol service from: 4 p.m. to 10 p.m.

13. Attendance: 300 Attendance per day if a multi-day event: _____

14. Beer Price(s): \$4-5 Draft Beer: ☒ No ☐ Yes and/or Original containers ☐ No ☒ Yes

15. Admission charge: _____ Is alcohol included with admission price? ☐ No ☐ Yes
If Yes, how many alcoholic beverages are included: *

* If an unlimited number of alcoholic beverages are included, all of the following conditions must apply:

(i) Alcoholic beverages are served to patrons at a seated event; _____ Yes

(ii) Food is available when the alcohol is furnished; _____ Yes, and

(iii) No advertising that there will be an unlimited number of alcoholic beverages provided in the admission charge. _____ Yes

16. Methods to be used for advertising: www.ducks.org/utah/events
*Please submit a copy of your proposed advertising with your application

17. List any private or public schools, churches, public libraries, public playgrounds and parks located within 600 feet of the event venue: USU Eastern, Church of Jesus Christ Latter-day Saints

Control Measures

18. Every event must have adequate control measures to prevent the possibility of minors being served alcohol, over-consumption of alcohol, or any other public safety issue as outlined in 32B-9-403 and R81-10b-1.

- Is the event located outdoors and open to the general public? ☒ No ☐ Yes*
- Does the event have an estimated attendance in excess of 1000 people? ☒ No ☐ Yes*

* If you answered "no" to both questions, proceed to Item 18-B.

18-A - For Large Scale or Outdoor Events:

A - If the event has an estimated attendance in excess of 1000 people or the event is located outdoors and open to the general public, the applicant must comply with all control measures "a (through) k" as listed below. However, the director, after reviewing the facts and circumstances of a particular outdoor or large-scale public event, may in its discretion relax some of the control measures, or require *more* control measures. Please fill out and affirm the control measures in section 18-B. If you wish to request a waiver of any control measure(s), indicate which one: _____ Explain control in lieu of this measure: _____

18-B EVERY EVENT MUST HAVE CONTROL MEASURES:

B - Sufficient control measures to prevent sales to minors and over-consumption are required for all events. The following control measures outlined in Rule 81-10B-2 are not necessarily all required for indoor small scale events (as required for large scale or outdoor public events). However, you are required to provide adequate measures or your event will not be approved. Carefully consider all the control measures listed below. Fill out the information that will apply to your event.

By checking the box and answering the applicable questions, you affirm that you will have the following control measures in place:

Will minors attend the event? Yes Will food be available? Yes Event Invitation Only? No

☐ a. **Alcohol Garden:** If minors may attend the event, all dispensing and consumption of alcoholic beverages shall be in a designated, confined and restricted area where minors are not allowed without being accompanied by a parent or guardian and where alcohol consumption is closely monitored.

or

☒ b. **Event Properly Secured:** If the event is small scale and indoors (not required to have an 'alcohol garden') or the applicant is requesting a waiver of the alcohol garden, your event still must be properly secured and completely delineated by some type of physical structure (s) i.e. fencing, walls, gates, secured entrances/exits etc. (See floor plan instructions and note these items on the floor plan).

☒ c. **Separate ID Stations:** Are the I.D. check station(s) separated from the alcohol sales locations? _____

☒ d. **Proof of Age:** Adults wanting to purchase alcoholic beverages must show proof of age and either have their hand stamped or be issued a non-transferrable wristband. Measures should be taken to prevent inappropriately discarded wristbands (which may end up in the control of minors). Any damaged wristbands will require a new I.D. Check. Explain the type and methods of control you will use: Separate I.D. station where wristbands will be administered

☒ e. **Proof of Age / Training:** Any person assigned to check proof of age shall have completed the alcohol server training seminar outlined in UCA 62A-15-401. (Contact the Utah Division of Substance Abuse & Mental Health at 801-538-3939 or the substance abuse website at <http://www.dsamh.utah.gov/stateapprovedproviders.htm>).

☒ f. **Alcohol Sales Location(s):** Alcohol sales shall be separate from food and non-alcoholic beverage concessions unless the alcohol consumption is restricted to an alcohol garden.
☒ Food sales will be separated from alcohol sales _____ or
[] Both food and alcohol will be sold in the same location within an alcohol garden _____

☒ g. **Training for Servers:** At least one person who has completed the alcohol server training seminar outlined in Utah Code 62A-14-401 shall be at each location where alcoholic beverages are sold and dispensed to supervise the sale and dispensing of alcoholic beverages. How many trained servers? 1

☒ h. **Readily Identifiable Cups:** Alcohol shall be served in readily identifiable cups or containers distinct from those used for non-alcoholic beverages. Type of container(s) for alcohol: original containers - cans, bottles
Type of container(s) for other beverages: _____



i. Number of Alcohol Beverages: Each event patron *may have no more than one alcoholic beverage in front of them at a time*. Event servers may sell two alcoholic beverages to one person, but servers will be responsible for ensuring that the second beverage is not for the person purchasing the beverages and is not being provided to minors. **(This control measure cannot be waived and includes small scale or indoor events).**



j. Security: List the type and number of security who will be assigned to monitor the event and particularly alcohol service for the event. Even for small scale events we recommend a minimum of 1 security person for every 50 people: Security may include police officers, hired security, organization staff members, security volunteers etc. Number of security intended: 6 Type of Security: off duty LEO, volunteers



k. Other: List any other control measure not mentioned above: _____

FLOOR PLAN

16. Please attach a floor plan with this application on an 8 ½ x 11" sheet of paper, outlining the event area.
- List the name and type of event being held: (i.e. festival, dance, race, concert etc.)
 - The floor plan should include all physical features of the event area, including indoor or outdoor areas.
 - Building walls
 - Fencing – include type, height, etc.
 - Entrance and exit points and how they are controlled (gates, security, exit only, etc.)
 - Any other natural physical barriers such as rivers, lakes, ravines etc.
 - Indicate location of food sales, other vendors, exhibits, stages, tables, etc.
 - Show where the Proof of age (ID) station(s) is located (must be separate from the beer sales).
 - Indicate beer garden, beer sales location(s), consumption areas, (include seating, beer garden barriers and what type of barrier will be used for the beer garden)
 - List the number of security personnel and what type (hired security, volunteer employees, police officers etc. and where they are stationed).
 - Include any additional control measures not already listed above or in item 18-B. Add an additional written summary, if you feel it is necessary, to explain your event in further detail.

ATTESTATION

EVENT PERMIT
“TEMPORARY BEER”
Local Consent

PURPOSE: Local business licensing authority provides written consent to the Alcoholic Beverage Control Commission to issue an event permit to an organization for the purposes of storage, sale, offer for sale, furnish, or allow the consumption of an alcoholic product on the event premises

AUTHORITY: Utah Code 32B-9-201

_____, [☐] City [☐] Town [☐] County
Local business license authority

hereby grants its consent to the issuance of a temporary beer event permit license to:

Applicant Entity/Organization: _____

Event Name: _____

Event location address: _____
street city state zip

On the _____ day(s) of _____, _____
dates month year

during the hours of _____, pursuant to the provision of Utah Code 32B-9.
defined hours from – to

Authorized Signature

Name/Title

Date

AS OF SEPTEMBER 1, 2015 THIS FORM MUST BE SUBMITTED TO THE DABC BY THE APPLICANT

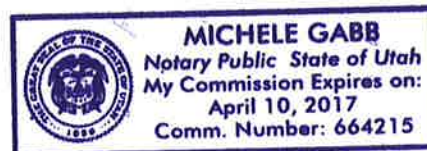
By initialing & signing below, the applicant attests that:
(Please initial each statement)

- CTO Consent is given that authorized representatives of the commission, department, or any law enforcement officers will have unrestricted right to enter the premises during the event; and
- CTO That the person signing this application is authorized to act on behalf of the applicant.
- CTO The information contained in this application is true and correct;
- CTO No minor is a partner or managing agent of the applicant partnership; a managing agent, officer, director, or stockholder who holds at least 20% of the total issued and outstanding stock of the applicant; or a manager or member who owns at least 20% of the applicant limited liability company;
- CTO No person in the alcoholic beverage industry (winery, brewery, distillery, importer, supplier, wholesaler, bottler, or warehouse) holds a partial interest in the ownership of the retail business or in the real or personal property owned, occupied, or used by the applicant in the conduct of the applicant's business.
- CTO No **gambling** or any other violation of law or ordinance will be allowed on the premises serviced by the temporary beer event permittee;
- CTO The applicant does not and will not discriminate against persons on the basis of race, color, sex, religion, ancestry, or national origin at the event;
- CTO He/she has read and will abide by the provisions of the relevant parts of 32B-9 & 32B-15, Utah Code, and all Rules of the Commission and directives of the Department of Alcoholic Beverage Control; and understands that failure to adhere thereto or to no longer possess the qualifications of a temporary beer event permittee may result in immediate suspension and/or revocation of the permit and forfeiture of the compliance bond;

Casey Thomas Olsen
Authorized Signature
1/21/16
Date
Casey Thomas Olsen, chairman
Name Title

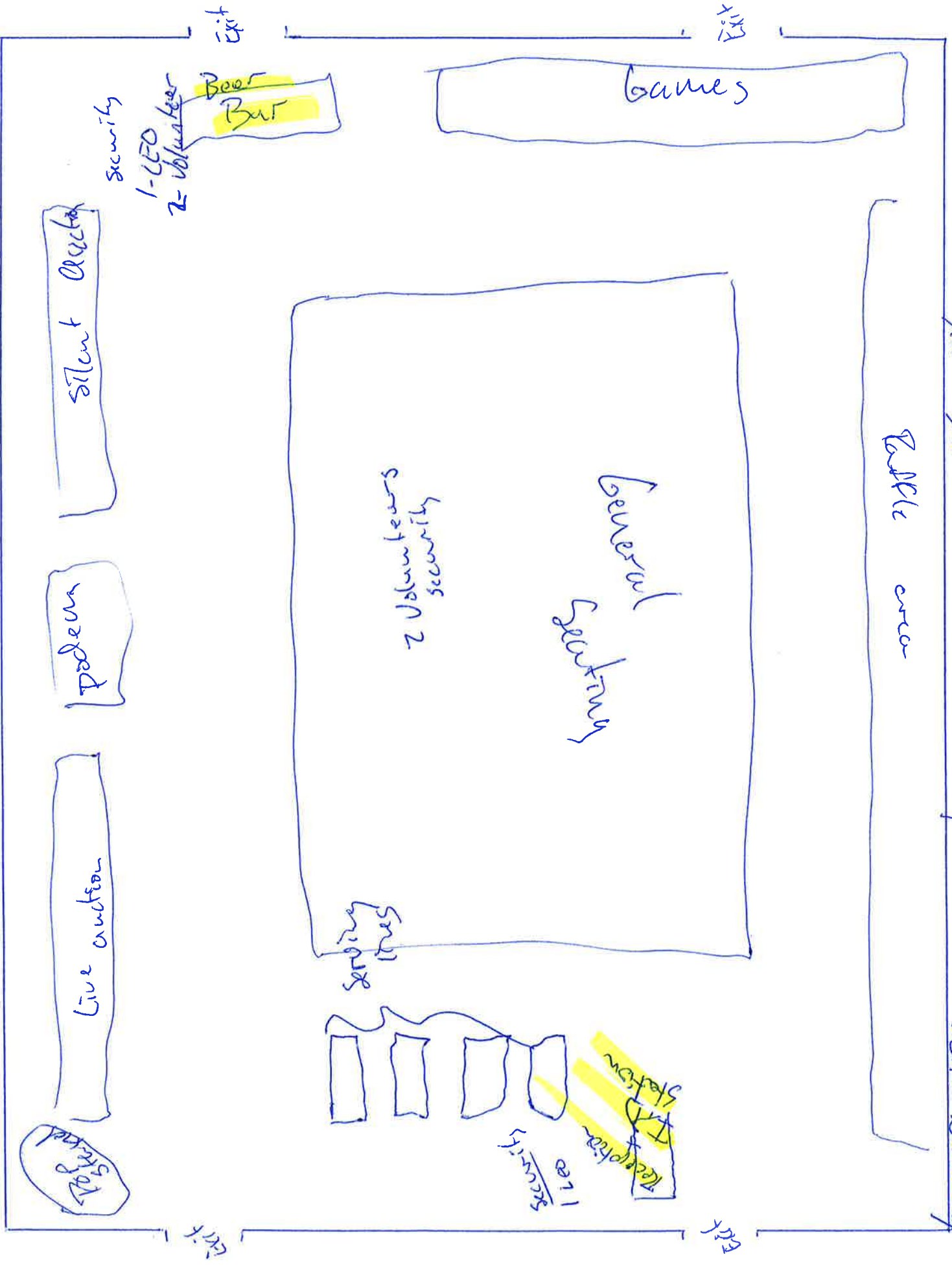
State of Utah County of Carbon
Subscribed and sworn before me this day 21 of January, 20 16
Michelle Gabb
Notary Public

Seal



Application Instructions:

Desert Ducks Unlimited Section Chart for US&E Eastern Building



UtahStateUniversityEastern

Jan. 5, 2015,

To whom it may concern-

I am writing this letter on behalf of Ducks Unlimited, an organization holding an event on the campus of USU Eastern. During that event, Ducks Unlimited has requested that alcohol be served.

In accordance with Utah State Law and under a temporary liquor license that has been obtained by Ducks Unlimited, that request is granted for the event to be held March 5.

Please contact me with any additional questions. Thanks,

A handwritten signature in black ink that reads "Greg Dart". The signature is written in a cursive, slightly slanted style.

Greg Dart
Vice Chancellor for Enrollment Management and Student Services
Utah State University Eastern
435-613-5229
451 E. 400 N.
Price, UT 84501

UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

1625 S 900 W • PO Box 30408 • Salt Lake City, UT 84130-0408 • Phone (801) 977-6800 • Fax (801) 977-6889

"SINGLE EVENT BOND"**BOND # 32S493837****KNOW ALL PERSONS BY THESE PRESENTS:**That **Principal, DUCKS UNLIMITED**

, a single event permittee, doing business as

, and **Surety,**

The Ohio Casualty Insurance Company, a corporation organized and existing under the laws of the state of **New Hampshire** and authorized to do business in Utah, are held and bound unto the Utah Department of Alcoholic Beverage Control in the sum of **\$1,000**, for which payment will be made, we hereby bind ourselves and our representatives, assigns, and successors firmly by these presents.

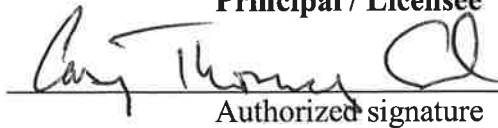
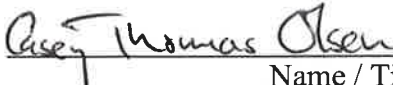
Dated this 21st day of January, 2016.**THE CONDITION OF THIS OBLIGATION IS SUCH THAT:**

WHEREAS, the above principal has made application to the Utah Alcoholic Beverage Control Commission for a single event permit pursuant to the provisions of 32B-9, Utah Code.

NOW, THEREFORE, if said principal, its officers, agents and employees shall faithfully comply with the provisions of Title 32B, Utah Code, and the rules and directives of the Utah Alcoholic Beverage Control Commission and the Utah Department of Alcoholic Beverage Control, then this bond shall be void; but, if said principal, its officers, agents and employees fail to comply with the provisions of the laws, rules and directives or orders as the commission or department may issue, then this bond shall be in full force and effect and payable to the Utah Department of Alcoholic Beverage Control. This bond shall run for a continuing term effective March 5, 2016 unless canceled by service of written notice upon the Utah Department of Alcoholic Beverage Control, which cancellation shall be effective 30 days after receipt of such notice; provided however, that no part of this bond shall be withdrawn or canceled while violations, legal actions or proceedings are pending against said permittee / principal.

The Ohio Casualty Insurance Company**Surety**
DAWN MANZANARES

Attorney in fact

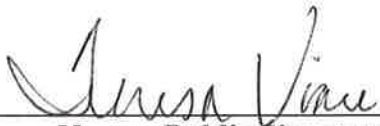
**DUCKS UNLIMITED****Principal / Licensee**
Authorized signature **Chairman**
Name / Title

STATUTORY AFFIDAVIT FOR CORPORATE SURETY

STATE OF: UTAH

COUNTY OF: CARBON

On the 21ST day of JANUARY, 2016, personally appeared before me,
DAWN MANZANARES, who, being by me duly sworn, did say that he / she is the attorney in fact of
The Ohio Casualty Insurance Company, **Surety**, and that said instrument was signed in behalf
of said surety by authority, and acknowledged to me that he / she as such attorney in fact executed the same.



Notary Public Signature & Seal



Note: Corporate surety's own affidavit also acceptable

The Ohio Casualty Insurance Company

POWER OF ATTORNEY

Surety Bond Number: **32S493837** Principal: **DUCKS UNLIMITED**

Bond Amount: (\$1,000.00) One Thousand Dollars And Zero Cents


KNOW ALL PERSONS BY THESE PRESENTS: that The Ohio Casualty Insurance Company, a corporation duly organized under the laws of the State of New Hampshire (herein collectively called the "Company"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, ***** DAWN MANZANARES *****

all in the city of WILLIAMSVILLE, state of NY each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Company in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of the Company has been affixed thereto this 18th day of November, 2013.



The Ohio Casualty Insurance Company

By: 
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 18th day of November, 2013, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of The Ohio Casualty Insurance Company and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires March 28, 2017
Member, Pennsylvania Association of Notaries

By: 
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-law and Authorizations of The Ohio Casualty Insurance Company, which is now in full force and effect reading as follows:

ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Gregory W. Davenport, the undersigned, Assistant Secretary, of The Ohio Casualty Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Company, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Company this 21st day of January, 2016.



By: 
Gregory W. Davenport, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 888-844-2663 between 8:00 am and 7:30 pm EST on any business day.



**QUOTE & ISSUE
BOND TRANSACTION RECEIPT**

 Allstate You're in good hands.
BOND NUMBER 32S493837
AGENCY CODE 58-0578

PREPARER

NAME NORTHEAST AGENCIES INC			PHONE NUMBER (800) 333-0980
ADDRESS	CITY	STATE	ZIP CODE
6467 MAIN ST STE 104 WILLIAMSVILLE, NY 14221-5856			

APPLICANT

NAME DUCKS UNLIMITED			PHONE NUMBER
ADDRESS	CITY	STATE	ZIP CODE
147 RIDGEWAY HELPER, UT 84526			

APPLICANT BILLING ADDRESS

NAME DUCKS UNLIMITED			PHONE NUMBER
ADDRESS	CITY	STATE	ZIP CODE
147 RIDGEWAY HELPER, UT 84526			

BOND

DESCRIPTION OF BOND Single Event		BOND TYPE License and Permit Bonds	CLASS CODE 942
BOND AMOUNT \$1,000.00	EFFECTIVE DATE March 5, 2016	EXPIRATION DATE March 5, 2017	TERM N/A

OBLIGEE

NAME UTAH DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL			
ADDRESS	CITY	STATE	ZIP CODE
P.O. Box 30408 Salt Lake City, UT 84130-0408			

BONDING COMPANY

BONDING COMPANY NAME The Ohio Casualty Insurance Company
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DOCUMENTS

BOND SIGNED BY DAWN MANZANARES - Attorney-in-Fact	BOND DOCUMENTS COMPLETED BY SR FOR DAWN	CREATION DATE 1/21/2016
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PAYMENT INFORMATION *

TOTAL TERM PREMIUM \$100.00	TAXES AND FEES \$0.00	
TOTAL AMOUNT DUE \$100.00	PAYMENT METHOD Credit Card	

* The credit card provided has been charged for this transaction and no additional fees are owed.
Agent bond(s) changes are available through <https://agents.libertymutualsurety.com>

Liberty Mutual Surety Quote & Issue

**310 E. 96th Street
Indianapolis, IN 46240
(888) 844-2663
Fax: (866) 547-4883
Email: bonds@libertymutual.com**